

Government Relations Update – September 10, 2024

Pennsylvania Issues

Legislation

- **HB1633: Fair Contracting for Health Care Practitioners Act.** On August 29, 2023, Representative Dan Frankel (D-Allegheny) introduced legislation prohibiting noncompete agreements binding health care practitioners. On April 17, 2024, the House passed the bill with every Democrat and 48 Republicans supporting the measure, including Milou Mackenzie (R-Lehigh), Ryan Mackenzie (R-Lehigh), and Joe Emrick (R-Northampton). Despite opposition by the Hospital and Healthsystem Association of Pennsylvania (HAP) and St. Luke's, the Senate approved an amended version of the bill in a nearly unanimous vote on July 11, 2024. On July 17, 2024, the legislation was signed into law by Governor Josh Shapiro (D-PA).

This new law deems noncompete covenants entered into on or after January 1, 2025 with physicians, CRNAs, NPs, and PAs void and unenforceable, unless: (1) the length is no more than one year; and (2) the health care practitioner was not dismissed by the employer with or without cause. The law specifically permits an employer to recover certain expenses from a departing practitioner who resigns. The law also requires an employer to notify patients seen within the past year by the departing practitioner of the following: (1) the departure of the practitioner; (2) how the patient may transfer records to the departing practitioner or another practitioner; and (3) the patient can continue care with another practitioner through the existing employer if he or she chooses. St. Luke's Physician Group is evaluating these new requirements.

- **SB 739: Payment and Equipment for Telemedicine Services.** On June 2, 2023, Senator Elder Vogel (R-Beaver) introduced legislation prohibiting insurance companies from refusing reimbursement of services provided via telemedicine and preventing insurers from dictating the platform used for telemedicine. On May 8, 2024, the bill passed the Senate, and the bill passed the House on June 24, 2024. On July 3, 2024, the legislation was signed into law by Governor Shapiro. St. Luke's and HAP support the positive steps taken with this legislation but continue to advocate for payment parity for telehealth services.
- **HB 2200: Implementation of Licensure Compacts.** As previously reported, Pennsylvania joined several interstate licensure compacts over the last decade, yet the two largest – the Nurse Licensure Compact (NLC) and the Interstate Medical Compact – never became fully operational, since background checks required by Pennsylvania were deemed unacceptable by the FBI, the United States Department of State, and the Pennsylvania State Police. On August 22, 2023, Governor Shapiro announced the Commonwealth would permit partial implementation of the NLC, allowing registered nurses and licensed practical nurses who hold a multistate license through the NLC to practice in the Commonwealth.

On April 9, 2024, Representative Frank Burns (D-Cambria) introduced legislation requiring applicants for a multistate compact license to obtain FBI background checks with fingerprints, finally allowing the interstate compacts to be fully implemented in Pennsylvania. On April 30, 2024, the bill was approved unanimously in the House, and the bill was approved unanimously in the Senate on July 3, 2024. On July 17, 2024, the legislation was signed into law by Governor Shapiro. HAP and St. Luke's supported the legislation.

- **SB 559/SB 560: Modernizing the Scope of Athletic Trainers.** On March 28, 2024, Senator Lisa Baker (R-Luzerne) introduced legislation expanding the scope of practice of athletic trainers to permit intramuscular and subcutaneous medication injections, capillary finger sticks to assess blood glucose levels, use of airway adjuncts and nasal plugs, administration of naloxone, and removal of superficial foreign bodies. On March 20, 2024, the bill was passed in the Senate, and the bill was approved in the House on July 11, 2024. On July 17, 2024, the legislation was signed into law by Governor Shapiro. HAP and St. Luke's supported the legislation.

Miscellaneous

- **Pennsylvania Fiscal Year 2023-24 Budget.** On July 12, 2024, Governor Shapiro signed into law the Pennsylvania budget for the fiscal year ending June 30, 2025. The \$47.6 billion spending plan represents a \$2.7 billion spending increase over the prior year and includes: (1) \$10 million in one-time supplemental payments to hospitals with a potential for \$29 million in federal matching funds; (2) \$17.5 million to the Hospital and Health System Emergency Relief Fund; (3) \$10.68 million in Medicaid supplemental payments for obstetric and neonatal services, a \$7 million increase compared to the prior year; (4) \$15.88 million for Critical Access Hospitals, a \$1.4 million increase compared to the prior year; (5) \$67.5 million more in state funds for mental health services; and (6) \$25 million for a new program providing scholarships of up to \$5,000 per year to students who participate in approved courses of study for “in-demand” occupations such as nursing and allied health professions.
- **Pennsylvania House Mental Health Caucus.** On September 4, 2024, the Pennsylvania House Mental Health Caucus visited St. Luke’s Penn Foundation. St. Luke’s West Region President Bill Moyer, St. Luke’s Penn Foundation President Wayne Mugrauer, St. Luke’s Penn Foundation Board President Dr. Ronald Souder, and members of the St. Luke’s Behavioral Health team met with several members of the caucus, including Caucus Co-Chairs Mike Schlossberg (D-Lehigh) and Jennifer O’Mara (D-Delaware County).

New Jersey Issues

Legislation

- **A-3861/S-2806: Louisa Carmen Medical Debt Relief Act.** On February 27, 2024, Assemblywoman Verlina Reynolds-Jackson (D-Hunterdon) and Senate President Pro Tempore Shirley Turner (D-Hunterdon) introduced legislation requiring creditors and debt collectors to wait 120 days after sending a bill before engaging in any collection actions and prohibiting health care providers from billing a patient if a patient appeals an insurance coverage determination within the prior 60 days. On June 13, 2024, the bill was amended in the Assembly Financial Institutions and Insurance Committee based on feedback from the New Jersey Hospital Association to clarify violations are limited to civil penalties and return of payments acquired in violation of the law. On June 28, 2024, the bill was passed by the Assembly and the Senate. On July 24, 2024, the bill was signed into law by Governor Phil Murphy (D-NJ). St. Luke’s opposed this legislation as state and federal guidelines already exist to protect patients from inappropriate collection efforts.

Federal Issues

Miscellaneous

- **Senator Casey Medicare Prescription Drug Roundtable:** On August 16, 2023, President Joe Biden (D) signed into law the Inflation Reduction Act, which allows the Centers for Medicare and Medicaid Services (CMS) to negotiate prices of certain prescription drugs. On August 27, 2024, Senator Bob Casey (D-PA) held a roundtable at the Slate Belt YMCA to discuss the program. Star Community Health Clinical Pharmacist Jarret LeBeau spoke at the event about the benefits of reduced drug costs to Medicare and Medicaid patients in the community.
- **Congressional Visits.** On August 3, 2024, Congressman Thomas Kean, Jr. (R-NJ-7) visited Star Community Health in Phillipsburg to learn more about St. Luke’s and Star’s services in Warren County. Star Executive Director Mark Roberts and St. Luke’s Warren Campus President Trevor Micklos presented at the meeting.

On August 5, 2024, Congresswoman Susan Wild (D-PA-7) visited St. Luke’s Center to learn more about the Nurse Family Partnership (NFP) Program. St. Luke’s Home Health and Hospice President Lisa Giovanni and St. Luke’s Director of Maternal Child Programs Tiffany Grabinski, along with St. Luke’s NFP Nurses and current and former patients, discussed the program benefits and needs within the community.