President’s Perspective – A Time for Reflection
Because of the Christmas holiday, we won't be sending out Current Report next week, meaning this will be our last issue of 2019.

The end of a year is always time for reflection, but this is also the end of a decade—one which has held many changes in the healthcare system. It's easy to point to the many challenges that have occurred over the last decade: the increasing burdens imposed by federal and state regulations; the continuing shift of risk from insurers to providers and sometimes patients, despite healthy profits by insurance companies; the structural changes taking place in our society that place additional burdens on healthcare providers; and the seeming breakdown of the ability to problem-solve in our political institutions, which again often leaves healthcare providers feeling deserted.

The U.S. healthcare provider landscape was transformed during the last decade, and many of those changes are indeed problematic. When these changes create problems, we certainly need to encourage and advocate for better ways of doing things. But let's be clear—the pace of change within the healthcare system is not going to slow. If anything, it is going to accelerate. More and more, I see hospitals and healthcare providers embracing the positive elements of such change. I see those who recognize our slow but inexorable move toward value based payments finding ways to make that system work for both providers and patients. I see the undaunted focus on quality and patient safety, even in light of a flawed regulatory scheme. I see the expansion in the use of new care models, such as telemedicine and our reliance on it for more and more applications. And I see the increasing utilization of meaningful information and analytics in care delivery.

Like most things in life, healthcare abounds with both challenges and opportunities. Speaking of opportunities, we didn't want to miss this one to wish you, your families and loved ones a wonderful and healthy holiday season!

--Tom Bell

KHA Advocacy Day – Jan. 21
Join the Kansas Hospital Association, state legislators and Kansas hospital executives at our 2020 Advocacy Day, Jan. 21, at the Maner Conference Center in Topeka. The day will kick off at 9:00 a.m. Lunch will start at 11:30 a.m.

This is your opportunity to learn about our advocacy focus and visit with your elected officials about the important issues facing Kansas hospitals. We encourage CEOs, senior staff and hospital trustees to attend.
KHA has reserved a block of rooms at the Capitol Plaza Hotel with a special rate of $100, plus tax. Make reservations by calling (785) 431-7200 by Dec. 27, and ask for the KHA room block.

Please direct questions to Melissa Willey, KHA Education Department, at (785) 233-7436. --Hayley Finch-Genschorck

KHA-PAC Makes Goal – THANK YOU!
The Kansas Hospital Association Political Action Committee is pleased to report that 2019 contributions to the KHA-PAC totaled $72,300. Our goal was $72,000. Thank you to the 368 members who contributed to the campaign this year.

In the last month, seven additional hospitals reached their KHA-PAC goal, and six individuals and one allied organization joined KHA's honor clubs! Thank you for your support.

Hospitals Hitting Goal (view the full list of hospital contributions online):

- Ascension Via Christi Hospital Pittsburg, Pittsburg
- Ascension Via Christi Hospital St. Joseph, Wichita
- Ascension Via Christi Hospital St. Teresa, Wichita
- Girard Medical Center, Girard
- Greenwood County Hospital, Eureka
- Mercy Hospital Columbus, Columbus
- Mercy Hospital, Inc., Moundridge

Ben Franklin Club Members ($1,000 - $2,499):

- Robert Page, The University of Kansas Health System, Kansas City

Chairman's Circle Members ($500 - $999):

- Mark Duff, Ascension Via Christi Hospital, Manhattan
- Brenda Dykstra, The University of Kansas Health System, Kansas City
- Tammy Peterman, The University of Kansas Health System, Kansas City

Capital Club Member ($349-$499):

- Michael McCullough, Ascension Via Christi, Wichita

President's Club Members ($100- $349):

- Michael Knecht, AdventHealth Shawnee Mission, Shawnee Mission
- Kansas Organization of Skilled Care Professionals
KHA-PAC will continue to accept donations until the end of the year. If you need additional information or solicitation supplies to solicit your management team, trustees, volunteers, vendors and medical staff, please contact Cindy Samuelson at (785) 233-7436.
--Cindy Samuelson

Congress Approves Federal Budget
The U.S. Congress passed legislation (H.R. 1865) funding the U.S. Department of Health and Human Services and other non-defense agencies for fiscal year 2020, sending it to the president for his signature before the current funding expires later today. The $1.4 trillion spending bill funds a number of health care extenders, including delaying $4 billion in Medicaid disproportionate share hospital cuts through May 22, 2020. Other areas that will see increased funding include maternal health programs, substance abuse treatment and Children's Hospitals Graduate Medical Education. The agreement also adjusts the minimum age to purchase tobacco to 21. Lastly, the legislation does not address surprise medical bills or use hospital funding to offset other spending priorities. President Donald Trump is expected to sign the legislation.
--Chad Austin

KHA Joins AHA to Fight Disclosures
The Kansas Hospital Association has joined numerous other hospital associations as a party to an amicus brief supporting the American Hospital Association's challenge to the Centers for Medicare & Medicaid Services' rule requiring hospitals to disclose their commercial health plans negotiated charges.

We will keep you informed as this lawsuit progresses.
--Deborah Stern

Tools to Help Kansas Hospitals Stay Tobacco Free
The Kansas Hospital Association has revised our hospital tobacco-free toolkit. Tobacco use in and around hospitals poses health and safety risks for patients, employees and visitors. While Kansas has a statute banning smoking in medical care facilities, 96 hospitals voluntarily expanded that ban to all hospital property in 2006. During the last dozen years, hospital executives, boards and staff have turned over, so it was time to rekindle this statewide effort. KHA has recently updated our tobacco-free resources to include new information on vaping, ett-cigarees and tobacco cessation.

KHA conducted a webinar in December with members from the Tobacco Free Kansas Coalition, American Cancer Society and the American Lung Association. If you were unable to participate, this webinar was recorded. We are excited that hospitals across Kansas can collaborate on efforts to be tobacco-free. As health care organizations committed to the health and safety of our patients, we have a responsibility to take a leadership role with this major health issue. This statewide tobacco-free initiative is a concrete way we can demonstrate our ongoing commitment to healthy living.

KHA will be reaching out to our members in 2020 to find out where they are with their hospital tobacco-free policies. Please let us know how you are doing by returning this tobacco-free pledge to csamuelson@kha-net.org.
--Cindy Samuelson
**Use Antibiotics Wisely Campaign**
Statewide partners, including the Kansas Hospital Association and the Kansas Healthcare Collaborative, have been working with the Kansas Department of Health and Environment to develop shared resources encouraging the appropriate use of antibiotics - the right antibiotic, at the right dose and duration, via the most appropriate route to reduce unnecessary antibiotic use. Kansas has one of the highest rates of antibiotics prescribed in outpatient care settings, according to the Centers for Disease Control and Prevention's *Antibiotic Use in the United States, 2018 Update: Progress and Opportunities* report. In 2016, Kansas was ranked 42nd out of all 50 states and Washington D.C. in the per capita use rate. It is a public health imperative that we work together to encourage antimicrobial stewardship. A [map](#) shows Percent of Potentially Inappropriate Prescribing of Antibiotics for Acute Respiratory Illnesses Among Prescribers in Medicaid and Medicare Claims Data by Zip Code, 2017-2018. [Antimicrobial stewardship resources and tools](#) are available online.

--Karen Braman

**National Council on Aging Report: Impact of the Opioid Epidemic on Older Adults**
The National Council on Aging surveyed its aging services network of grantees and partners. The survey was intended to understand how older adults and their caregivers are affected by the opioid epidemic and identify new resources and tools needed for organizations to better serve their communities. Results show affects are both physical and financial. For rural residents, the challenges include lack of alternative approaches to managing pain that are becoming available elsewhere.

--Karen Braman

**Federal Funds Available to Improve Access and Quality of Care**
The Health Resources and Services Administration announced a new opportunity to apply for federal funding that improves access and quality of care through rural health consortiums. The program will invest approximately $7.5 million over three years to support up to 10 applicant organizations. Each consortium will include at least three health care entities that will coordinate strategies for collaboration, leadership and workforce, improved outcomes, and sustainability in rural communities. Previously funded networks under this program designed and carried out projects focused on coordinated care for patients in the primary care setting, chronic disease management, and utilizing/enhancing health information technology, among other issues for rural communities. For questions about the program, contact Kanokphan Mew Pongsiri at kpongsiri@hrsa.gov.

--Karen Braman
Health Observances and Recognition Days for January

Month-Long Observances

- Birth Defects Prevention Month (National)
- Cervical Health Awareness Month
- Clap4Health
- Radon Action Month

Week-Long Observances

- Jan. 21-26 – Drug and Alcohol Facts Week (National)

The Kansas Hospital Association is pleased to present our members with the 2020 Health Observances Calendar. This publication is intended to provide our members with accurate and authoritative information about health care related events. The calendar is published and copyrighted in cooperation with the Society for Healthcare Strategy and Market Development of the American Hospital Association. All rights are reserved. Special thanks to the Kansas Health Service Corporation for their sponsorship of the Health Observances Calendar. In an effort to go green and reduce paper waste, the calendar is only available on the KHA website; login is required. If you have questions, please contact Jan Fenwick at (785) 233-7436.

--Jan Fenwick

Current Report Will Not Be Published Next Week

Unless special circumstances occur, Current Report will not be published next week. The next issue will be published Jan. 3, 2020. The Kansas Hospital Association would like to wish you a safe holiday season and a happy New Year.

--Jan Fenwick

Federal Focus

MACPAC Releases MACStats 2019 Edition

The Medicaid and CHIP Payment and Access Commission released its 2019 edition of MACStats: Medicaid and CHIP Data Book, which includes updated data on national and state Medicaid and CHIP enrollment, spending and benefits, as well as beneficiaries' health, service use and access to care. MACPAC's release highlights falling Medicaid enrollment. State-specific information is reported in MACStats Exhibit 11.

Proposed Rule Allows for Importation of Certain Prescription Drugs

The Food and Drug Administration released a proposed rule that would allow for the importation of certain prescription drugs from Canada. In addition to the rule, the FDA announced new draft guidance that describes procedures drug manufacturers can use to facilitate importation of prescription drugs, including biological products.
U.S. Department of Health and Human Services Secretary Alex Azar stated that the president "has been clear: for too long American patients have been paying exorbitantly high prices for prescription drugs that are made available to other countries at lower prices. When we released the president's drug pricing blueprint for putting American patients first, we said we are open to all potential solutions to combat high drug prices that protect patient safety; are effective at delivering lower prices; and respect choice, innovation and access. Today's announcement outlines the pathways the administration intends to explore to allow safe importation of certain prescription drugs to lower prices and reduce out of pocket costs for American patients."

Comments will be accepted for 75 days after the publication of the proposed rule in the Federal Register.

**CMS and HRSA Issue Proposals to Increase Organ Supply Accountability and Availability**
The Centers for Medicare & Medicaid Services and the Health Resources and Service Administration issued two rules that would increase organ supply accountability and availability. The CMS proposed rule changes the way organ procurement organizations are held accountable for their performance, and the HRSA proposed rule removes the financial barriers to living organ donation. Comments are due 60 days after the rules are published in the Federal Register.

**CMS to Streamline QualityNet Account Management**
The Centers for Medicare & Medicaid Services will update the QualityNet secure portal account management to the Health Care Quality Information Systems Access Roles and Profile system in the coming weeks. HARP is a secure identity management portal that provides access to multiple applications. Additional information is available.

**CMS Releases Marketplace Effectuated Enrollment for the First Half of 2019**
The Centers for Medicare & Medicaid Services released a report about the effectuated enrollment data for federal- and state-based exchanges. As of Sept. 15, an average of 10.2 million individuals had effectuated their coverage through June 2019. This amounts to 1.25 million fewer plan selections than the number of individuals with plan selections at the end of the 2019 open enrollment period. The data also shows that the average monthly premium per enrollee decreased 0.4 percent to $593.29.

**MLN Connects Provider eNews Available**
Updates to MLN Connects Provider eNews were issued by the Centers for Medicare & Medicaid Services. eNews includes information about national provider calls, meetings, events, announcements and other MLN educational product updates. The latest issue provides updates and summaries of the following:
• Open payments: Review and dispute data by Tuesday, Dec. 31
• Long-Term Care Hospital and Inpatient Rehabilitation Facility Provider Preview Reports: Review your data by Thursday, Jan. 9, 2020
• Payment for outpatient clinic visit services at excepted off-campus provider-based departments
  o Quality Payment Program: Check your final 2019 Merit-based Incentive Payment System eligibility status
  o MIPS low-volume threshold criteria for 2019

**CMS Releases OQR Specifications Manual Version 13.0a**
The Centers for Medicare & Medicaid Services released Hospital Outpatient Quality Reporting Specifications Manual version 13.02, effective with encounters dated Jan. 1 to Dec. 31, 2020, unless otherwise specified. A complete list of changes may be found in the associated release notes. The manual is available on [QualityNet](#).

**CMS Updates QRDA Conformance Statement Resource**
The Centers for Medicare & Medicaid Services [updated](#) the Quality Reporting Document Architecture Category I Conformance Statement Resource to support calendar year 2019 electronic clinical quality measure reporting for the following programs:

- Hospital Inpatient Quality Reporting
- Promoting Interoperability Program for Eligible Hospitals and Critical Access Hospitals

[Additional details](#) are available.

**HRSA Accepts Applications for Nursing Workforce Program**
The Health Resources and Services Administration is accepting [applications](#) for the Nurse Education, Practice, Quality and Retention Interprofessional Collaborative Practice Program: Behavioral Health Integration Program. The purpose of this [program](#) is to increase the access to and quality of behavioral health services through team-based care models in interprofessional nurse-led primary care teams in rural or underserved areas.

The NEPQR: BHI program will train and educate the future nursing workforce to provide integrated behavioral health services in rural communities. Eligible applicants include accredited schools of nursing, health care facilities, or partnerships of such schools and facilities.

**FCC Announces Shortened Suicide Prevention Hotline Number**
The Federal Communications Commission [announced](#) it has initiated rulemaking on a new, three-digit suicide prevention hotline. The rule requires carriers to implement the new 988 hotline number within 18 months. The hotline routes callers to call centers where counselors are available to help individuals in crisis. In 2018, counselors received 2.2 million calls nationwide.
Congressional Committee Unveils New Surprise Bill Proposal
The Democratic and Republican leaders of the U.S. House of Representatives Ways and Means Committee released a summary of a new legislative proposal on "surprise billing" by health care providers who do not participate in a provider network covered by the patient's insurer. The proposal reflects the two advocacy messages: do not supersede current state laws; and allow billing disputes between insurers and providers to be resolved by negotiation and arbitration rather than a payment rate set by the government. Other recent surprise billing proposals in Congress are less favorable to hospital interests.

CMS to Repay Hospitals for Off-Campus Outpatient Clinic Visits
The Centers for Medicare & Medicaid Services finalized a payment policy to pay excepted off-campus provider-based departments a physician fee schedule equivalent payment rate for evaluation and management services. CMS implemented the policy by paying 70 percent of the Outpatient Prospective Payment System rate in calendar year 2019 and 40 percent in CY 2020. CMS estimated the total payment reductions in CY 2019 to be $380 million.

The Association of American Medical Colleges, the American Hospital Association and nearly 40 hospitals challenged the policy. A federal judge ruled last September that CMS did exceed its authority and instructed CMS to immediately cease the payment reductions. CMS now stated that it will begin reprocessing the claims from 2019. CMS stated, "Starting Jan. 1, 2020, the Medicare Administrative Contractors will automatically reprocess claims paid at the reduced rate; no provider action needed."

Although CMS is repricing the 2019 claims, it will continue paying clinic visits in excepted off-campus provider-based departments at 40 percent of the OPPS rate.

OIG Finds MA Plans Paid $6.7 Billion for Added Diagnoses to Increase Risk-Adjusted Payments
The U.S. Department of Health and Human Services Office of Inspector General released a report finding that Medicare Advantage organizations are more likely to add diagnoses codes that increase risk-adjusted payments than remove codes that decrease risk-adjusted payments. The OIG also found diagnoses that MAOs reported only on chart reviews and not on any service records resulted in approximately $6.7 billion in additional risk-adjusted payments.

The OIG recommended the Centers for Medicare & Medicaid Services, "(1) provide oversight of MAOs that had payments resulting from unlinked chart reviews for beneficiaries who had no service records in 2016, (2) conduct audits that validate diagnoses reported on chart reviews in the encounter data, and (3) reassess the risks and benefits of allowing unlinked chart reviews to be used as sources of diagnoses for risk adjustment."

Vaping-Related Illness Death Count Surpasses 50
The death toll in the vaping illness outbreak has topped 50, U.S. health officials declared on Thursday, Dec. 12. Updated numbers highlight a grim reality, including a total of 52 deaths in 26 states. And, 2,409 individuals have been hospitalized with E-cigarette, or vaping, product use associated lung injury. One region hard hit by EVALI cases has been in the Midwest including Illinois, Indiana and Wisconsin. Learn more about the dangers of vaping can be found on the Kansas Hospital Association’s website.