

A photograph of the West Virginia State Capitol building, featuring a large dome and classical columns. The image is overlaid with a large, semi-transparent '2024' and the title text.

# 2024

**WEST VIRGINIA  
HOSPITAL ASSOCIATION  
LEGISLATIVE SUMMARY**

# 2024 Legislative Recap



## 2024 Legislative Session Overview

# 2,575

Bills Introduced in the 86th West Virginia Legislature

# 279

Bills Completed Legislative Action

# 269

Signed by the Governor

**2** Bills Will Become Law Without Governor's Signature

**8** Bills Were Vetoed



## WVHA 2024 State Legislative Agenda

- ✓ Improve Financial Stability for Hospitals
- ✓ Support Our Health Care Workforce
- ✓ Advance Affordable Prescriptions and Protect 340B Drug Pricing Program
- ✓ Ensure Access to Behavioral Health Services
- ✓ Protect Public Health
- ✓ Maintain Certificate of Need Program

## Help "Tell the Hospital Story"



- Showcase efforts to care for your community
- Educate policymakers about opportunities and challenges hospitals face
- Improve the public's perception of hospitals and health care
- Reinforce and support WVHA State and Federal Public Policy Priorities

WVHA Tracked Approximately

# 275 Bills

## Top 3 Hospital Bills Completed Legislative Action

- HB 5157 - Updating and expanding the Facility Directed Payment Program (DPP)
- SB 325 - Preventing pharmaceutical companies from implementing policies that restrict hospitals' ability to utilize contract pharmacies under the federal 340B program
- SB 477 - Providing anti-doxing protections for health care workers and first responders

## The WVHA and Interim Period



Advocacy is at the core of the WVHA mission to support hospitals to achieve a strong, healthy West Virginia. While most of the attention is focused on the State Capitol during session, the reality is most of the work occurs outside the confines of the 60-day legislative session. Efforts will continue as hospitals and WVHA will be active throughout the year continuing to build solid relationships with administration officials, legislators, and their staff, as we advocate on behalf of hospitals during interim committee meetings.



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## *Executive Summary: WV Legislative Session 2024 Final Report*

The 86<sup>th</sup> West Virginia Legislature ended March 9 following 60 days of debate on issues ranging from social topics to education reform, the budget and unemployment benefits. In total, **279** bills completed legislative action (**123 House Bills and 156 Senate Bills**); **269** were signed by the Governor; **8** bills were vetoed, and **2** will become law without his signature.

Key bills that completed legislative action in the 2024 session are highlighted in this *Final Report*.

The WVHA continued its tradition of having policymakers respond to its legislative agenda and its efforts to protect health care for all of West Virginia. The WVHA celebrated *Hospital Day at the Legislature on February 8*, the mid-way point of the Session. A *Health Care Providers Legislative Reception* and our annual *Hospital Day at the Legislature* event featuring a breakfast and legislative panel discussion were the highlights. There was an opportunity for WVHA members to attend Senate and House floor sessions, committee meetings, and to meet with their local legislators at the State Capitol.

Once again, the WVHA saw positive outcomes based on its legislative agenda. This included passage of 3 priority bills associated with its 2024 Legislative Agenda: [HB 5157](#) –updates and expands the Facility Directed Payment Program (DPP); [SB 325](#) –prevents pharmaceutical companies from implementing policies that restrict hospitals’ ability to utilize contract pharmacies under the federal 340B program; and [SB 477](#) – provides anti-doxing protections for health care workers and first responders.

In addition to successfully advancing the WVHA legislative agenda, the hospital community also prevented negative legislation from moving forward. Some of these bills included [HB 4320](#) – relating to access for minor children’s medical records; and [HB 5530](#) – requiring a hospital to disclose price and fee information for certain health care services, among many other bills/amendments that were introduced.

The success in advancing the WVHA legislative agenda began well in advance of the session. The WVHA continued its grassroots efforts to educate policymakers about the financial and other challenges faced by West Virginia hospitals. Media outreach played an important role in this effort during the interim period as the WVHA team worked to raise awareness of hospital fiscal, clinical, regulatory, and operational challenges.

Advocacy is at the core of the WVHA mission to support hospitals to achieve a strong, healthy West Virginia. While most of the attention on advocacy is focused on the State Capitol during session, the reality is most of the work occurs outside the confines of the 60-day legislative session.

Efforts will continue as hospitals and WVHA will be active throughout the year continuing to build solid relationships with administration officials, legislators, and their staff, as we advocate on behalf of hospitals during interim committee meetings. The WVHA Legislative Committee will continue to guide and direct the Association’s efforts as we prepare for the 2025 Regular Session –beginning in February next year because of it being a gubernatorial inaugural year.

## “Top 3” WVHA Priority Bills- WVHA Legislative Agenda

### HB 5157

#### Relating to the Facility Directed Payment Program (DPP)

*EFFECTIVE DATE: From Passage – February 14, 2024, and upon approval by CMS*

This bill was a top priority of WVHA. [HB 5157](#) continues the existing Facility Directed Payment Program (DPP) which provides targeted funding to West Virginia hospitals. Since 2011, West Virginia has utilized a Directed Payment Program (DPP) to maximize federal matching dollars to increase Medicaid payments for hospitals.

- The purpose of the DPP Program is to support lower Medicaid payments with supplemental funds to support hospital financial stability.
- The DPP Program was put in place to comply with Federal supplemental payment initiatives under Medicaid. The Federal rules outline the types of Medicaid payment arrangements that states may use to direct managed care expenditures.
- CMS recently made programmatic changes to the formula calculating the limit of funding a state can request and provide to hospitals through the DPP. While the program ceiling has historically been limited to what Medicare would have paid for a service (which does not cover the cost of care), the recent changes raise the ceiling to the average commercial rate (ACR).
- In response to the CMS policy changes, the WVHA partnered with national DPP experts to evaluate West Virginia’s current arrangements and assess the potential for additional federal funding. WVHA has discussed programmatic changes with the Commissioner for the West Virginia Bureau for Medical Services and the West Virginia Tax Department.
- This specific program has benefited the hospitals and helped Medicaid draw down federal matching dollars. For every \$1 that West Virginia invests in our DPP, it is matched with approximately \$3 from the federal government.
- The program does not require any state budget appropriation; rather all eligible hospitals pay an assessment (provider tax) as the state contribution toward drawing down additional federal matching dollars for Medicaid to pay hospitals rates as allowable under such a Program.
- Historically, the Facility DPP has been limited to participation of 23 acute care hospitals. In addition to the change in funding calculations, this bill expands the eligible participating hospital population to include critical access hospitals (CAH) and specialty hospitals.
- The modeling shows **57** total hospitals. This includes the current 23 acute care hospitals and 34 anticipated new hospitals that would be eligible to participate in the Facility DPP through changes in this bill.
- Before implementation, West Virginia Medicaid must submit an updated plan document to CMS that must be subsequently approved.

***For additional information or questions regarding implementation, please contact Melanie Dempsey, Vice President Financial Policy at [mdempsey@wvha.org](mailto:mdempsey@wvha.org)***

## **SB 325**

**Relating to the distribution of 340B drugs to safety net providers and contract pharmacies**

*EFFECTIVE DATE: June 6, 2024*

SB 325 was a high priority bill for WVHA along with organizations representing community health centers, pharmacies, and clinics across the State. This bill protects the distribution of discounted drugs purchased under the federal 340B program and it ensures discounted medications reach conveniently located pharmacies where patients can access them.

- Beginning in 2020, profitable multinational drug companies unilaterally changed the rules by refusing to ship 340B drugs to contract pharmacies in West Virginia, depriving vulnerable people of access to life-saving drugs and disrupting West Virginia’s public health system.
- SB 325 will stop this predatory practice and protect delivery of 340B drugs to pharmacies where underserved patients can access them.
- Specifically, the bill prohibits drugmakers from denying, restricting, or prohibiting, in any way, the delivery of a 340B drug to a contract pharmacy in West Virginia. This not only will protect nearly 30 years of access to discounted medications in our underprivileged communities, but it will also protect funding for undercompensated services that safety net providers, community health centers and clinics provide at no cost to taxpayers.
- *By way of background* – drug manufacturers’ main argument has been that West Virginia does not have a right to regulate 340B drug distribution under an erroneous application of federal preemption law.
- The drug industry’s argument has been rejected at both the federal district court and circuit court levels. Specifically, on March 12, 2024, the Eighth Circuit Court of Appeals upheld a similar law passed in Arkansas. The court held that the 340B statute is purposefully silent on drug distribution and that contract pharmacy distribution has traditionally been regulated by state law. This is exactly what Senate Bill 325 would regulate and protect. The Eighth Circuit’s decision is an important victory for 340B safety net providers who have long argued that states can regulate drug distribution.
- As of this publication, approximately 19 states are pursuing similar bills.

***For additional information or questions regarding implementation, please contact Brandon Hatfield, Vice President and General Counsel at [bhatfield@wvha.org](mailto:bhatfield@wvha.org)***

## **SB 477**

### **Prohibiting public disclosure of personal information on the internet (Anti-Doxing)**

*EFFECTIVE DATE: June 4, 2024*

This bill was another priority for WVHA. It protects health care workers and first responders from being “doxed.” Doxing comes from the concept of “document tracing” or collecting documents to learn more about a person or company. Generally, any personal information, even if it is publicly available, that is released with the intent to harm falls under the umbrella of doxing. There are different motivations for doxing, including revenge, humiliation, intimidation, or harassment.

Two main goals of SB 477:

1. To criminalize knowingly, willfully, and intentionally making the personal information of a health care worker, or their immediate family, publicly available on the internet with the intent to threaten or incite the commission of a crime of violence against that person, or with the intent and knowledge that the personal information will be used in this way – a person who violates this new law is guilty of a misdemeanor and, upon conviction thereof, shall be fined not more than \$500 or confined in jail not more than six months, or both fined and confined. For a second or subsequent offense, the person is guilty of a misdemeanor and, upon conviction thereof, shall be fined not more than \$1,000 or confined in jail for not more than one year, or both fined and confined.
2. To provide a process for a health care worker to submit a written request to a state or local government to remove personal information from records available on the internet if he or she provides evidence that they are a health care worker and affirm under penalty of false swearing that they have reason to believe that the dissemination of the personal information contained in the records that the official makes available on the internet poses an imminent and serious threat to the person’s safety or the safety of the person’s immediate family.

Key definitions in the bill:

- "Health care worker" means a person who is an employee of a health care entity, a subcontractor, or independent contractor for a health care entity, or an employee of the subcontractor or independent contractor. The term includes, but is not limited to, a nurse, nurse’s aide, laboratory technician, physician, intern, resident, physician assistant, physical therapist, any other person who provides direct patient care, first responder, or any person serving in a governance capacity of a health care entity;
- ""Personal information" means the home address, home telephone number, personal mobile telephone number, pager number, personal e-mail address, or a personal photograph or video of a health care worker; directions to the home of a health care worker; or photographs or videos of the home or personal vehicle of a health care worker or the immediate family of a health care worker.

***For additional information or questions regarding implementation, please contact Tony Gregory, Vice President Legislative Affairs at [tgregory@wvha.org](mailto:tgregory@wvha.org)***

## Other Key Hospital Bills Passed

Two additional bills that completed legislative action impacting hospitals include the following:

- **[HB 4376 \(Surgical Smoke Evacuation\)](#)** - This bill states that on or before January 1, 2025, the Office of the Inspector General within the newly reorganized DHHR shall propose rules for legislative approval. The details of the rules, which will need to be approved by the full Legislature during the 2025 Regular Session, will require a health care facility licensed in West Virginia (including hospitals) that utilizes energy generating devices - to use a smoke evacuation system during any surgical procedure that is likely to produce surgical smoke.
- **Effective Date:** The rules will be developed during the 2024 interim period, with a 30-day public comment period. They will then be considered by the Legislative Rule-Making Review Committee. This law does not go into effect until the full Legislature approves the legislative rules during the 2025 Regular Session.

*For additional information or questions regarding implementation, please contact Brandon Hatfield, Vice President and General Counsel at [bhatfield@wvha.org](mailto:bhatfield@wvha.org)*

- **[SB 36 \(Sexual Assault Nurse Examiners SANE\)](#)** –Department of Homeland Security legislative rules – ([containing SANE hospital legislative rules](#))
  - By way of background, [SB 89](#) from the 2023 Regular Session directed the Sexual Assault Forensic Examination (SAFE Commission) to develop legislative rules for approval by the Legislature during the 2024 Regular Session.
  - SB 36 contains the SAFE Commission rules and provides further details requiring a hospital to have a trained health care provider “available” to complete a sexual assault forensic examination, or a transfer agreement as provided in a county plan.
  - The [legislative rules](#) pertaining to SANE are comprised of the following areas of focus:
    - Definitions
    - Treatment of sexual assault victims
    - Photo documentation
    - Submitting sexual assault evidence for testing
    - Laboratory responsibilities -receipt of sexual assault evidence by laboratory
    - Maintenance of nonreported Sexual Assault Evidence Collection Kits
  - **Effective Date:** August 5, 2024. Additional guidance will be issued by WVHA in coordination with the SAFE Commission.

*For additional information or questions regarding implementation, please contact Brandon Hatfield, Vice President and General Counsel at [bhatfield@wvha.org](mailto:bhatfield@wvha.org) or Hallie Morgan Vice President Quality and Data Services at [hmorgan@wvha.org](mailto:hmorgan@wvha.org)*

## HB 5105 (Immunization Bill) completes legislative action *but vetoed* by the Governor

On March 27, Governor Justice vetoed [HB 5105](#) relating to childhood immunization policies. If signed into law, this bill would have removed immunization requirements entirely for students in private and parochial schools and those in virtual public school, except for those participating in West Virginia Secondary School Activities Commission-sponsored athletics. The bill would have made school immunization requirements optional for private/parochial schools. With no immunization requirement for them at all, and subsequently no records collection, the schools would have had no idea how many of their students are vaccinated or unvaccinated, making outbreak response slow and challenging.

The WVHA in partnership with many organizations urged the Governor to veto the bill stating that: removing immunization requirements for students in private and parochial schools will allow for drastic reductions in immunization rates in those schools, putting students in those schools – especially ones who are immunocompromised – at risk for preventable diseases like measles.

With the Governor’s leadership and his veto of HB 5105, West Virginia’s strong school immunization policies will continue to lead the nation and be a model for other states.

## Other Key Bills complete legislative action *but vetoed* by the Governor

Along with HB 5105 related to childhood immunization policies, the Governor vetoed 7 other bills that completed legislative action including the following 2 health care related bills:

- [SB 714 \(Board of Medicine/Board of Osteopathic Medicine Bill\)](#) - This is the bill which would have combined the Board of Medicine and the Board of Osteopathic Medicine beginning January 1, 2025. *In his veto message*, the Governor said, “having separate boards to regulate separate categories of the medical profession will continue to encourage diversity in practice, increase innovative approaches to care and preserve the integrity of each distinct practice.”
- [HB 5014 \(WVU Alzheimer’s research funding and grant funding for all hospitals\)](#) - This is a supplemental appropriation bill totaling \$6 million for hospital grants and research programs - \$4 million for all hospitals to apply for grants and research programs and \$2 million to the West Virginia University Health System Federal Food and Drug Administration Pilot Program. Funding is from the Governor’s Civil Contingent Fund. *In his veto message*, the Governor said, “While I wholeheartedly support our hospitals and medical centers and the advancement of vital medical care for the citizens of West Virginia, these two appropriations direct the grant of large sums of money with little context or direction for the use of such funding. The language of the bill is ambiguous as to the Legislature's intent and just what types of research may be funded from this appropriation, and no context or background has been provided to date to my Office regarding this appropriation.”



## Hospital, CON and Health Care Bills *Not Advancing*

This session, the WVHA managed and played defense on several bills that would have placed additional administrative burden and costs on hospitals and the health care delivery system. Most of these bills [originated in the House](#) and the WVHA Legislative Team managed to keep many off the committee agenda or worked in the Senate to keep them from advancing. In the end, several we featured in our regular *Updates* and *Alerts* throughout the session did not advance. These include:

- [HB 4320](#) – Relating to access for minor children’s medical records – *died in Senate*
- [HB 5054](#) – Relating to birthing centers – *died in Senate Health Committee*
- [HB 5163](#) – Relating to involuntary hold by law enforcement for a person determined to be an imminent danger – *died in House Judiciary Committee*
- [HB 5254](#) – Relating to the creation of mental hygiene regions by the Supreme Court of Appeals – *died in Senate Judiciary Committee*
- [HB 5297](#) – Relating to prohibiting pubertal modulation and hormonal therapy when provided to assist in a gender transition - *died in Senate Health Committee*
- [HB 5361](#) – Flu shots offered to hospital patients age 50 and older voluntarily based upon CDC recommendations – *died in Senate Health Committee*
- [HB 5530](#) – Requiring a hospital to disclose price and fee information for certain health care services – *died in Senate Health Committee*
- [HB 5647](#) – MCO Tax – *died in Senate Finance Committee*
- [HB 5685](#) – Relating to Medicaid Cost Containment - *died in Senate Health Committee*
- [SB 791](#) – Modifying membership of Medicaid Services Fund Advisory Council – *died in House*

**SB 17 (Hospital Reporting of Quality Data)** – Also worth noting - in the final hours of the session, the WVHA successfully removed an [amendment to SB 17](#) which was a Department of Health Rules Bill. This bill contained an amendment to the Hospital Licensure Rule related to hospital reporting of quality data. The Senate removed the reporting language and sent the bill back to the House for consideration. The House agreed to the Senate change. The bill completed legislative action **WITHOUT** any burdensome and duplicative language in the Hospital Licensure rule for hospitals relating to reporting of quality data.

### Certificate of Need (CON)

Several bills were introduced in the Legislature this session impacting the Certificate of Need (CON) program. This session, [HB 4909 \(CON Repeal\)](#) was advanced to the full House by the House Health Committee 13-9. HOWEVER, the bill was immediately placed on the House’s “inactive” Calendar, and it died on “crossover day.” Several other CON bills did not advance this session including bills that were either considered by the House Health Committee, passed the House; and/or died in the Senate Health Committee. These include some of the following:

- [HB 4408](#) – Development of specialized intermediate care facility – *died in Senate Health Committee*
- [HB 4433](#) – Mobile CT exemption bill – *died in Senate Health Committee*
- [HB 5286](#) – Eliminating the ability to sub-contract under CON re: personal care services– *died in Senate Health Committee*
- [HB 5303](#) – Neighborhood hospital – *died in House Health Committee*

## Listing of *Passed Bills of Interest* by Topic

### Behavioral Health

- [SB 632](#) - Relating to the Dangerousness Assessment Advisory Board multi-disciplinary study group (includes WVHA representation)

### Child Welfare

- [SB 768](#) - Providing exception for sharing of confidential child welfare records
- [HB 4594](#) - Relating to extending managed care to foster care population
- [HB 4951](#) - Interstate practice of School Psychology in educational or school settings
- [HB 4975](#) - Relating to establishing a foster parent information system

### Constitutional Amendment – House Joint Resolution (HJR) 28

- [HJR 28](#) - Protection from medically-assisted suicide or euthanasia in West Virginia Amendment

### Dept. of Health, Human Services / State Government Organization and Operations

- [SB 31](#) – Department of Human Services legislative rules (collection and exchange of data related to overdoses)
- [SB 50](#) – Department of Revenue legislative rules (AIDS regulation, health benefit plan network access and adequacy)
- [SB 300](#) – Reorganizing Office of Inspector General within the new DHHR including increased oversight
- [SB 428](#) - Establishing appeals from administrative rulings are to be filed with Intermediate Court of Appeals
- [SB 482](#) – Relating to Rule-Making authority of Ethics Commission
- [SB 548](#) - Clarifying appellate jurisdiction of Intermediate Court of Appeals
- [HB 4274](#) - Renaming the Department of Health and Human Resources
- [HB 4756](#) - Creating a state Alzheimer’s plan task force
- [HB 4874](#) - Relating to fatality and mortality review team
- [HB 4976](#) - Providing the contact information of the Inspector General on the agencies and boards websites of the executive departments
- [HB 5594](#) - Exempting the West Virginia School of Osteopathic Medicine, West Virginia University and Marshall University from contracts, agreements, or memorandums of understanding with spending units in state government with exceptions
- [HB 5690](#) - Creating a West Virginia Task Force on Artificial Intelligence

## 2024 WVHA Legislative Summary

### Emergency Medical Services (EMS)

- [SB 445](#) - Reducing certification periods and renewal fees for EMS personnel
- [SB 533](#) - Allowing EMS agencies to triage, treat or transport patients to alternate destinations
- [HB 5128](#) - Directing transfer of moneys into fire protection funds at the end of each year
- [HB 5347](#) - Relating to establishing a program for emergency medical services personnel to become certified paramedics.

### Health Care Workforce and Education

- [SB 681](#) - Revising service obligation for certain doctoral medical degree programs
- [HB 4768](#) - Relating to increasing the number of out-of-state medical students receiving in-state tuition rates who agree to practice for a specific time within West Virginia
- [HB 5162](#) - Establishing a program to promote creation and expansion of registered apprenticeship programs
- [HB 5175](#) - Eliminating funding for the Center for Nursing and transfer its duties and authorities to the Higher Education Policy Commission.

### Health Insurance / Insurance Related Bills

- [SB 875](#) - Relating to certain insurance coverage provided by BRIM
- [HB 4809](#) - Health Care Sharing Ministries Freedom to Share Act
- [HB 4933](#) - Relating to Medicaid dental coverage

### Miscellaneous

- [SB 543](#) - Relating to research and economic development agreements for state institutions of higher education
- [SB 679](#) - Regulating certain plant-based derivatives, hemp-derived cannabinoid products, and Kratom
- [HB 4190](#) - Relating to the establishment of an alert system for missing cognitively impaired
- [HB 4233](#) - Non-binary not permitted on birth certificates
- [HB 4431](#) - Permitting the cremation of unidentified remains

### Pharmacy Benefit Managers (PBMs) and PEIA

- [SB 453](#) - Requiring pricing and payment transparency from pharmacy benefits managers contracting with PEIA

### **Professional Licensing Boards / Professions**

- [SB 438](#) - Modifying roster requirements of authorizing entities
- [SB 667](#) - Creating Physician Assistant Compact
- [HB 4110](#) – Various health related boards and commissions legislative rules (boards of medicine, pharmacy, nursing etc.)
- [HB 5117](#) - Relating generally to waiver of initial licensing fees for certain individuals

### **Public Health**

- [SB 378](#) - Prohibiting smoking in vehicle when minor 16 or under is present
- [SB 602](#) - Cardiac Emergency Response Plan Act
- [SB 755](#) - Providing safeguards for online sales of tobacco products
- [HB 4667](#) – Prohibiting syringe services programs from distributing listed smoking devices
- [HB 4911](#) - Relating to the sale of raw milk
- [HB 5084](#) - Require retailers to verify identification and age upon purchase of vape products

### **Substance Use Disorder and Related Bills**

- [SB 269](#) - Excluding test strips from definition of drug paraphernalia
- [SB 475](#) - Relating to recovery residences
- [SB 668](#) - Increasing amount of certain controlled substances persons may purchase annually
- [SB 820](#) - Requiring automatic enrollment of substance abuse disorder population into managed care
- [HB 5540](#) - Relating to fentanyl prevention and awareness Education (Laken’s Law)

### **Supplemental Appropriations of Note**

- [SB 652](#) - Supplementing and amending appropriations to DHHR, Health Facilities
- [SB 656](#) - Supplementing and amending appropriations to DHHR, Division of Human Services
- [SB 665](#) - Supplementing and amending appropriations to DHHR, Division of Health
- [SB 697](#) - Supplementing and amending appropriations to DHHR, Consolidated Medical Services
- [SB 698](#) - Supplementing and amending appropriations to DHHR, Division of Human Services
- [SB 699](#) - Supplementing and amending appropriations to DHHR, Child Support Enforcement
- [SB 700](#) - Supplementing and amending appropriations to Miscellaneous Boards and Commissions, Hospital Finance Authority
- [SB 702](#) - Supplementing and amending appropriations to DHHR, Laboratory Services Fund
- [SB 876](#) - Supplementing and amending appropriations to Department of Health and Human Resources, Health Facilities

## Features of the FY 2025 State Budget

The Legislature approved the State Fiscal Year (SFY) 2025 Budget Bill ([SB 200](#)) and various supplemental appropriations to support state agency spending. The Budget Bill sets the general revenue budget for SFY 2025 beginning July 1, 2024, at \$4.996 billion.

**HOWEVER** - legislative leaders say state budget items will need to be revisited over the next few months beginning in a special session in May. This is because late in the Session, lawmakers learned the Governor's Office was in negotiations with the federal government over a potential \$465 million COVID-19 funding "claw back" related to the U.S. Department of Education. Other issues factoring into special session budget discussions include financial uncertainty over the possibility that an "economic trigger" could prompt additional income tax cuts. Leaders say they will revisit some of these issues and other areas of the budget once they have a better forecast of issues that were less certain during the session.

- We expect health care funding, and the Medicaid Budget to be a point of focus for lawmakers when they return to the State Capitol for the Special Session and in the months leading up to the new fiscal year.
- The most concerning areas of the passed SFY 2025 budget are the significant funding cuts to the Medicaid program. The Legislature did not move forward with the Governor's proposals to increase funding to the core program and other specific health care appropriations. Rather, they reduced state allocations by approximately \$150 million in total to the program versus the Governor's budget. This includes approximately \$79 million in general funding, \$12 million in administrative funding and \$56 million in a proposed MCO tax in failed HB 5647.
- Because the Medicaid program receives a federal funding match component, the estimated \$150 million in state directed appropriations will grow to a total loss of more than \$600 million (*of the loss of the additional federal associated funds*). It is likely this funding gap will be discussed during the upcoming special session. The consequence of not addressing this issue will put pressure on the health care community to continue to provide services to Medicaid recipients. The Department of Human Services is following these discussions closely. If the funding dilemma is not resolved, the Department would need to develop an aggressive plan for provider cuts or reduction of services. The WVHA is closely monitoring the on-going budget discussions so please be on the lookout for additional information coming out of special session and legislative discussions.

As for key features of the SFY 2025 budget: they include the passage of ([SB 841](#)) - unemployment benefits bill; along with 5% pay raises for state workers ([HB 4883](#)) through general revenue funds, and the phasing out of state taxes on Social Security ([HB 4880](#)). The pay raise bill provides pay increases for state workers whose pay scales are in *State Code*. That means State Police personnel would receive a \$2,900 annual salary increase. Teachers would receive a \$2,460 annual pay increase. And school service personnel would receive an additional \$140 a month. The estimated financial effect of fully eliminating income taxes on Social Security benefits would be a little more than \$37 million. The phase-out would mean a 35% cut retroactive to Jan. 1, 2024; 65% in 2025 and 100% in 2026. The legislation builds on a 2019 bill signed into law by the governor to exempt Social Security income from personal income taxes for most West Virginians, particularly those in lower tax brackets. That was also a three-year phase-out.

## 2024 Legislative Interim Period

We expect another busy interim period for hospitals thru December. The dates for the 2024 Legislative Interim Period are below.

- April 14-16
- May 19-21
- August 11-13
- September 8-10 (*Parkersburg*)
- October 6-8
- November 10-12
- December 8-10

We will continue the momentum generated from the 2024 Regular Session into the legislative interim period this year. Key interim committees we'll be following include the [Joint Health Committee](#) and the [Legislative Oversight Commission on Health and Human Resources Accountability](#) (LOCHHRA), among others.

Overall, we will utilize this time to continue building solid relationships with Administration officials, legislators, and their staff, as we advocate for stronger hospitals and stronger communities in West Virginia.

### ***Interim Period Hospital Visits and Tours***

To assist us in our efforts on the grassroots level, we encourage you once again during this interim period to invite legislators to your hospital to showcase the good things you are doing to care for West Virginians across the state.

To support your efforts, the WVHA Legislative Team will be helping facilitate legislator and staff visits throughout the interim period. Our goal is to solidify our relationships at the Capitol, continue to improve the image of hospitals statewide and build upon the great momentum that the hospital community generated during the 2024 legislative session.

If you have any questions regarding coordinating a tour at your hospital, please do not hesitate to contact [Tony Gregory](#) or [Brandon Hatfield](#).