

West Virginia Legislative Session 2022 Final Report

The second session of the 85th West Virginia Legislature ended March 12 following 60 days of debate on issues ranging from education reform and unemployment insurance fraud to contentious social topics and COVID-related bills. In total, 293 bills completed legislative action; 282 were signed by the Governor; 5 were vetoed including <u>HB 4020</u> reorganizing DHHR; and 6 will become law without his signature. More work on bills that were vetoed or did not pass are expected to be considered during special sessions of the Legislature this year. The first special session is expected at the end of April.

Key bills that completed legislative action in the 2022 session are highlighted in this Final Report.

The State Capitol was back open to the public following limited access last session. *Hospital Advocacy Week* remained virtual this year due to an increase in hospitalizations, and the importance of utilizing hospital resources and staff to respond to the pandemic.

Once again, the WVHA saw positive outcomes based on its legislative agenda. This included passage of a bill to modify the composition of the Public Employees Insurance Agency (PEIA) Finance Board. The bill goes into effect on June 9, 2022, and adds two health care representatives to the current Board with qualifications spelled out in law. Other key bills streamline the involuntary commitment process and provide patients with affordable prescription drugs, among other topics featured in this *Report*.

In addition to successfully advancing the WVHA legislative agenda, the hospital community also prevented negative legislation from moving forward. Once again, we defeated legislation in Committee and on the House floor to repeal and/or modify the Certificate of Need (CON) Program. We also successfully blocked efforts to impose nurse staffing ratios by working with sponsors to amend bill language, and we prevented efforts to undermine the state's strong child immunization laws, along with other burdensome legislation, primarily stemming from the pandemic.

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 challenges faced by West Virginia hospitals, further exacerbated by COVID-19. Media outreach played an important role in this effort during the interim as the WVHA team worked to raise awareness of hospital challenges while focusing on poor reimbursement by PEIA.

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. Areas of focus will continue improving PEIA reimbursement rates, reviewing the Certificate of Need (CON) program and corresponding standards, and examining the multifaceted issues involving emergency medical services (EMS).

Key Hospital Bills of Interest

<u>SB 205</u>

Expanding the Public Employees Insurance Agency (PEIA) Finance Board *EFFECTIVE DATE: June 9, 2022*

This bill was a top priority of WVHA. This legislation modifies the composition of the Public Employees Insurance Agency (PEIA) Finance Board by adding two health care representatives to the current <u>PEIA</u> <u>Finance Board</u>. The qualifications are spelled out in law. By adding these (2) seats to the Board, future decisions about PEIA will help include consideration of the impact on West Virginia hospitals, physicians, nurses, and other health care providers. The new law states:

- One member shall represent the interests of hospitals. The member shall have been employed by a hospital for a period of at least three years prior to his or her appointment and shall remain an employee of a hospital for the duration of his or her appointment to remain eligible to serve on the board.
- One member shall represent the interests of non-hospital health care providers. The member shall have owned his or her non-hospital health care provider business for a period of at least three years prior to his or her appointment and shall maintain ownership of his or her nonhospital health care provider business for the duration of his or her appointment to remain eligible to serve on the board.

The purpose of the Finance Board is to bring fiscal stability to PEIA through development of annual financial plans and long-range plans designed to meet the agency's estimated total financial requirements. All financial plans required by law shall establish, among other things: maximum levels of reimbursement which PEIA makes to categories of health care providers.

Finance Board members are appointed by the Governor with advice and consent by the West Virginia Senate. Members serve four-year terms and are eligible for reappointment. The State Department of Administration cabinet secretary serves as chairman of the Board.

The WVHA is working to identify potential hospital and health care representatives for consideration by the Governor for appointment.

SB 205 accompanied another WVHA priority bill that saw a lot of legislative attention but did not complete legislative action – <u>SB 574</u>. This bill pertained to reimbursement of hospital inpatient rates by PEIA.

The bill passed the Senate, was approved by the House Finance Committee and was on track to be considered by the full House. The bill was ultimately moved to the House "inactive" calendar, but its long legislative journey throughout this session signaled strong legislative commitment to addressing PEIA payments for hospitals. We remain encouraged that legislative action is on the horizon and certainly, the passage of SB 205 is an accomplishment toward this goal.

HB 4012

Prohibiting the showing of proof of a COVID-19 vaccination *EFFECTIVE DATE: From Passage – March 12, 2022*

This bill includes several provisions pertaining to COVID-19 for: hospitals, institutions of higher education and government entities.

The first part of the bill clarifies that a "covered employer" (like a hospital) that requires as a condition of continued employment or as a condition of hiring - does not include any Medicare or Medicaid-certified facilities which are subject to federal regulations.

The second part of the bill states that a hospital may not require proof of vaccination as a condition of entering the premises, *provided* that if any federal law or regulation requires proof of vaccination as a condition of entering the premises, the provisions of the subsection of the bill shall not apply.

Further protections for hospitals and other health care providers are incorporated in the bill. For example, the bill clarifies that employees of otherwise covered employers who are required to work in Medicare or Medicaid-certificated facilities are not subject to the prohibitions.

The bill also says that a state institution of higher education may not require proof of vaccination as a condition of enrollment or for entering the premises: *provided*, that if any federal law or regulation requires proof of vaccination as a condition of entering the premises, or if the academic requirements of a particular program cannot be met without vaccination and proof thereof, the provisions of this subsection shall not apply.

Finally, the bill says that a state or local governmental official, entity, department, or agency may not require proof of vaccination as a condition of entering the premises of a state or local government entity, or utilize services provided by a state or local government entity: *Provided*, That if any federal law or regulation requires proof of vaccination as a condition of entering the premises, the provisions of this subsection shall not apply: *provided*, *however*, that this prohibition does not apply to any local government-owned facility that is leased to a private entity where the local governmental unit primarily serves as a property owner receiving rental payments.

<u>HB 4257</u>

Requiring visitation immediately following a procedure in a health care facility *EFFECTIVE DATE: From Passage – March 10, 2022*

This bill amends the 2021 patient visitation law known as "Mylissa Smith's Law"

- One amendment clarifies that during a declared public health state of emergency for a contagious disease, a health care facility shall permit visitation of a patient when the patient is stable following a surgical procedure.
- A second amendment states that health care facilities shall provide patients adequate and lawful access to clergy so that patients can practice their religion by receiving clergy visitation at any reasonable time, as long as the visit does not disrupt clinical care: *provided*, that if the health care facility limits the number of people able to visit the patient, the member of the clergy is not to be considered within that number.

<u>HB 4112</u>

Providing consumers a choice for pharmacy services *EFFECTIVE DATE: June 10, 2022*

This bill promotes transparency, equity, and consumer choice in the pharmacy/pharmaceutical industries. The legislation builds upon the success of <u>HB 2263</u> from 2021, which has garnered the state national accolades for its efforts to reduce prescription drug costs and protect patients/pharmacies.

This legislation meaningfully and appropriately updates the *Pharmacy Audit Integrity Act* by providing additional protections for West Virginia patients and pharmacies alike, as well as codifies protections affirmed in a December 2021 West Virginia Office of the Insurance Commissioner (WVOIC) order and in legislative rules included in <u>SB 312</u>. Key provisions in the bill ensure the *340B Drug Pricing Program* continues to be a strong source of serving vulnerable patients while managing rising prescription drug costs.

Specifically, the bill:

- Removes decision-making about what is a specialty drug from pharmacy benefits managers (PBMs)/insurance companies—frequently motivated by rebates they receive to push or withhold distribution of certain drugs—and allows patients/pharmacies to challenge a misclassified specialty drug;
- Codifies the 340B entity protections of <u>WVOIC rules 114 CSR 99</u>;
- Prohibits requirements on pharmacies, which PBMs and insurance companies often use to narrow pharmacy networks and reduce consumer choice, that are more stringent than state requirements for licensure or certification;
- Requires pharmacies to receive at least 30 business-days' notice of a PBM/insurance company contract or manual change; and
- Clarifies PEIA is subject to 340B entity protections that ban modifiers, claims tagging and other adjustments and discriminatory contracting. These protections currently apply to commercial and self-insured health plans only.

<u>HB 4324</u>

Updates collaborative pharmacy practice agreements *EFFECTIVE DATE: From Passage - March 8, 2022*

This bill allows clinical pharmacists and physicians through a mutually agreed to collaborative practice agreement filed with their respective licensing Boards to work together to implement the triple aim of improved health outcomes, decreased costs, and improved patient satisfaction.

Specifically, the bill states that a pharmacist or group of pharmacists may practice in collaboration with physicians in any practice setting, including but not limited to a health care system, pursuant to a practice notification which has been filed with the appropriate board: *provided*, that a pharmacist who is currently in collaboration with physicians pursuant to a practice agreement which was approved prior to June 1, 2023, may continue to practice under that agreement until the practice agreement terminates or until June 1, 2024. The practice notification is to be filed with the appropriate licensing board and becomes effective immediately upon filing. The board retains jurisdiction to investigate any complaints filed regarding a practice notification with respect to their respective license holders.

<u>HB 4377</u>

Updating the Involuntary Commitment Process *EFFECTIVE DATE: June 10, 2022*

This bill is the culmination of more than three years of discussion on better streamlining the state's involuntary commitment process for patients, providers, and law enforcement.

Current law states that sheriff's departments are the sole entity responsible for executing mental hygiene orders. However, according to reports, the process of transporting patients and the subsequent hearing and commitment if applicable, was taking up to 14 hours in some parts of the state. Provisions in the bill are intended to relieve sheriff's departments of transportation duties involving behavioral health patients.

In terms of transportation - the bill calls for mental hygiene commissioners to order which law enforcement agency and jurisdiction is in charge of transporting patients. The commissioners can also consider requests for alternative transportation providers from facilities, agencies, community health providers or others with trained personnel. If transportation other than a sheriff's department is used, it will be paid by the DHHR. In a situation that a state hospital has no beds, the individual will be sent to a diversion facility as designated by the Chief Medical Officer of the state hospital. According to the bill, the hospital has two hours after receiving the commitment order to make such a decision.

An important provision that helps expedite the involuntary commitment process and helps alleviate overburdened hospital emergency departments relates to health evaluations. This bill permits in-person health evaluations – *which are required before a hospital will accept the patient* – but a telehealth evaluation can be performed if in-person evaluations would create a substantial delay to resolve the matter.

The bill also permits three West Virginia counties: Cabell, Berkeley, and Ohio to enter into a pilot project with the West Virginia Supreme Court of Appeals, mental health facilities and the DHHR concerning the new involuntary commitment process.

<u>SB 25</u>

Updating provisions of the Medical Professional Liability Act (MPLA) *EFFECTIVE DATE: June 8, 2022*

This bill clarifies that the statute of limitations contained within the *Medical Professional Liability Act (MPLA)* for long-term care facilities applies to ALL medical injuries, including those resulting in death. This bill also applies to distinct part units of acute care hospitals providing intermediate care or skilled nursing care. In a recent 3-2 decision, the *West Virginia Supreme Court of Appeals* found that the language in the MPLA was unclear as to its application of the one-year statute of limitations, even though the one-year statute of limitations has been on the books for several years.

The bill also deals with screening certificates of merit by modifying the time frame for providing a statement of intent to provide a screening certificate of merit in certain actions under the MPLA. The law changes the time frame from 180 days to 120 days of the date the health care provider receives the notice of claim.

<u>SB 470</u>

Relating generally to the Health Care Decisions Act *EFFECTIVE DATE: June 7, 2022*

This bill relates to the West Virginia Health Care Decisions Act by defining and updating certain terms.

- Renames the "physician orders for scope of treatment" as "portable orders for scope of treatment;"
- States an advanced practice registered nurse or a physician assistant can complete the forms;
- Revises forms of a living will, medical power of attorney, and combined medical power of attorney and living will;
- Provides clarifying language regarding the effect of signing a living will on the availability of medically-administered food and fluids;
- Requires oral food and fluids be provided as desired and tolerated;
- provides reciprocity for portable orders for scope of treatment or similar medical orders validly executed in another state; and
- Provides that forms executed prior to effective date of this bill remain in full force and effect.

<u>HB 4340</u>

Relating to maximizing the opportunity to recover anatomical gifts *EFFECTIVE DATE: June 10, 2022*

This bill relates to anatomical gifts and clarifies who may make an anatomical gift of decedent's body or part. The bill clarifies the duties of a procurement organization with regard to the state medical examiner and requires the state medical examiner to cooperate with procurement organizations to maximize the opportunity to recover anatomical gifts. There are provisions that require the procurement organization to conduct a test to evaluate the medical suitability of the body part.

<u>SB 647</u>

Prohibiting discrimination in organ donation process *EFFECTIVE DATE: June 9, 2022*

This bill prohibits discrimination based on an individual's mental or physical disability as it relates to access to organ transplantation. The bill prohibits any "covered entity" meaning a licensed provider of health care services, including a hospital or nursing home from taking certain actions solely on the basis of a qualified individual's mental or physical disability. The bill states it is not medically significant if an individual cannot independently comply with post-transplant medical requirements if the individual has the necessary support system. Other provisions require a covered entity to make reasonable modifications in policies, practices, or procedures; and prohibit a covered entity from denying services. Enforcement provisions are also included in the bill which align with Titles II and III of the Americans with Disabilities Act, 42 U.S.C. §§12131-12189.

Other Bills of Interest by Topic

Behavioral Health / Substance Use Disorder

<u>SB 181</u> – This bill creates a Core Behavioral Health Crisis Services System by designating a state-identified center participating in the National Suicide Prevention Lifeline Network to respond to statewide or regional "988" calls. By July 1, 2022, the DHHR Secretary is to designate a crisis hotline center or centers to provide crisis intervention services and crisis care coordination to individuals accessing the "988 suicide prevention and behavioral health crisis hotline" from any jurisdiction within the state 24 hours a day, seven days a week. Legislative rules will further help implement the provisions of this bill.

<u>SB 213</u> – This bill establishes a licensed professional counseling compact for the purpose of facilitating interstate practice of licensed professional counselors. The goal is to improve public access to professional counseling services and the practice of professional counseling in the state where the client is located at the time of counseling services.

<u>SB 247</u> – This bill requires that the Bureau for Medical Services (Medicaid) develop, seek approval of, and implement a Medicaid state plan amendment as necessary to effectuate a system of Certified Community Behavioral Health Clinics (CCBHC). All nonprofit comprehensive community mental health centers, comprehensive intellectual disability facilities, and all other providers set forth in the Medicaid state plan amendment shall be eligible to apply for certification as a CCBHC. Legislative rules will help implement the provisions of the bill.

<u>SB 419</u> – This bill requires the DHHR to begin a pilot program to evaluate the impact that post-discharge planning and the provision of wraparound services has on the outcomes of substance use disorder in three years post substance use disorder residential treatment.

<u>HB 4369</u> – This bill updates the telepsychology compact. Compact States shall recognize the right of a psychologist, licensed in a Compact State, to practice telepsychology in other Compact States (Receiving States) in which the psychologist is not licensed.

Child Care Tax Credit

<u>SB 656</u> – This bill is designed to help encourage the creation of more childcare facilities in West Virginia, thus helping to address critical workforce challenges. Under this legislation, an employer who starts a childcare facility can claim a 50% credit over five years on the startup and initial operating costs of such a facility. Costs that would go towards the credit include buildings, construction, furniture, building improvements, and first-year operating costs. For-profit employers would claim the credit on their Corporate Net Income Tax liability. Pass-through entities would claim the credit on their Personal Income Tax liability, and non-profit employers are eligible for a transferrable tax credit.

Health Care Workforce

<u>HB 4021</u> – This bill creates a Medical Student Loan Program at the Marshall University School of Medicine, the West Virginia University School of Medicine, and the West Virginia School of Osteopathic Medicine. Provisions in the bill authorize the medical schools to make loans. Eligibility requirements and agreements for persons participating in the loan program are spelled out in the law. This includes requirements to engage in the full-time practice of medicine for 1 year within an approved service commitment area.

Insurance

<u>SB 568</u> – This bill deals with medical loss ratios. If the insurer uses medical loss ratio in rating, the bill defines the term loss ratio and disclosure of the ratio components for medical insurance coverage. The bill requires disclosure of loss ratio, if requested within a 90-to-60-day window prior to coverage renewal. The bill excludes Medicaid MCO beneficiaries under the disclosure requirement.

<u>HB 4060</u> – This bill simply removes from *West Virginia Code* outdated references pertaining to the Coalition for Diabetes Management; Coalition for Responsible Pain Management and State Advisory Coalition on Palliative Care.

<u>HB 4426</u> – This bill repeals *West Virginia Code* references related to Provider Sponsored Networks. This statute was created several years ago and was applicable to federally qualified health centers (FQHCs) using the medical home model.

Legislative Rules

<u>SB 312</u> – This "Rules Bill" includes legislative rules pertaining to the regulation of pharmacy benefit managers (PBMs) as promulgated by the Insurance Commission.

<u>SB 334</u> – This is the professional licensing board "Rules Bill" that includes legislative rules by health care licensing boards like the Board of Medicine, the RN Board, and the Board of Pharmacy, among others.

<u>HB 4126</u> – This is the "DHHR Rules Bill" that includes legislative rules pertaining to hospital licensure, certificate of need, emergency medical services, maternal risk screening, medication-assisted treatment-opioid treatment programs, and the all-payer claims data base, among other DHHR rules.

Licensing Boards and Professions

<u>SB 138</u> – This bill decreases the number of board members on the West Virginia Board of Medicine by removing a podiatric position from the board.

<u>SB 221</u> – This bill establishes an occupational therapy compact. The purpose of the compact is to facilitate interstate practice of occupational therapy with the goal of improving public access to services.

<u>SB 427</u> – This bill permits West Virginia Board of Medicine investigators to carry a concealed weapon.

<u>SB 518</u> – This bill makes a number of changes to the West Virginia Board of Examiners for Registered Professional Nurses. Some of the changes include the following:

- Effective July 1, 2022, the Board is renamed: West Virginia Board of Registered Nurses effective July 1, 2022;
- By July 1, 2022, the Governor, with the advice and consent of the Senate, shall appoint a new board. The appointment term is four years, and a member may not serve more than two consecutive terms. Board members include:
 - One person licensed as an advanced practice registered professional nurse by the board;
 - One person who is certified as a dialysis technician by the board;
 - Four persons licensed as a registered professional nurse by the board and meet the following requirements:
 - One registered professional nurse, who provides direct patient care in a long-term care facility, home health or hospice;
 - Two registered professional nurses, who provide direct patient care in a hospital setting or acute care setting; and,
 - One registered professional nurse, who teaches nursing; and
 - One citizen member who is not licensed under the provisions of this chapter and who has never performed any services as a health care professional.
- Organizations that represent nurses may submit to the Governor recommendations for the appointment of the licensed board members.
- There are new provisions dealing with licensing for registered nurses and advanced practice registered nurses as well as renewal of licenses and temporary permits;
- The Nursing Shortage Study Commission is activated under the bill until January 1, 2023, and will include nine members appointed by the Board. Duties and responsibilities of the Commission are spelled out int the bill. The Commission will include:
 - One individual who is on the board;
 - Two individuals that are employed as registered professional nurses in a hospital and who work primarily providing direct patient care;
 - Two registered professional nurses who work as long-term care nurses, one of whom works in a nursing home and one of whom works for a home health agency, both of whom work primarily providing direct patient care;
 - One nursing administrator;
 - The Chancellor of the Higher Education Policy Commission;
 - The West Virginia Nurses' Association President; and
 - The Executive Director of the Center for Nursing.

<u>SB 585</u> – This bill creates a new administrative medical license under the *West Virginia Medical Practice Act*. A physician with an administrative medicine license may manage the integration of clinical medicine, strategy, operations, and other business activities related to the delivery of health care services. The license also permits a physician to advise organizations, both public and private, on health care matters, among other duties that do not require or involve direct patient care. The West Virginia Board of Medicine will propose emergency rules to implement the provisions of the bill.

<u>SB 603</u> – This bill deals the *West Virginia Medical Practice Act* as it pertains to licensure and renewal when an applicant or licensee has certain unresolved disciplinary proceedings pending in another jurisdiction.

<u>SB 606</u> – This bill deals with reporting requirements under the *West Virginia Medical Practice Act* as it pertains to sexual misconduct with a patient and violation of established medical or professional protocols regarding transferring controlled substances or prescribing controlled substances.

Public Health

<u>SB 570</u> – This bill relates to criminal justice training for law-enforcement officers and correction officers regarding individuals with Alzheimer's and dementias. Provisions in the bill authorize the Law-Enforcement Professional Standards Subcommittee to establish a basic training curriculum that will include a course for law-enforcement training programs for the training of law-enforcement officers and correction officers in appropriate interactions with individuals with autism spectrum disorders, Alzheimer's and related dementias.

<u>HB 4113</u> - This bill is a rewrite and modernization of the state's public health system overseen by DHHR. Among the many provisions: permits the DHHR Secretary to appoint advisory councils to help carry out the state's public health responsibilities and authorizes rulemaking to further implement the provisions of the bill. Among the provisions to be outlined in legislative rule: "Performance-based standards" defined as accepted, objective standards such as rules or guidelines against which a local health department's level of performance can be measured. The bill also requires the Commissioner of the Bureau of Public Health to establish a Center for Local Public Health to enhance the quality and availability of essential public health services throughout the state provided by local boards of health.

State Government Organization/Operations

<u>SB 553</u> – This bill deals with the West Virginia Health Care Authority (HCA) and its responsibilities related to Uniform Bill (UB) data collection for hospital inpatients. The bill does not change reporting requirements. Rather, it removes the authority of the HCA to adopt, amend and repeal policy guidelines pertaining to UB data by moving all these activities to legislative rule. The HCA is to propose legislative rules for consideration during the 2023 session that will include, among other provisions: procedures for the collection, retention, use, and disclosure of data from the uniform bill database, including provisions and safeguards to protect the privacy, integrity, confidentiality, and availability of any data. A fee is also set in the bill of up to \$50 per custom data request payable by users of the data.

<u>HB 4059</u> – This bill clarifies that all new DHHR Deputy Commissioners are policy-making positions and are exempt from civil service.

<u>HB 4631</u> – This bill establishes the "Demetry Walker bone marrow and peripheral blood stem donation awareness program" within the Bureau of Public Health. The Bureau is required to prepare an online brochure for display on its website to inform patients of the option to become a bone marrow or peripheral blood stem cell donor by registering with the National Marrow Donor Program.

<u>HB 4649</u> – This bill transfers the operations of the West Virginia Children's Health Insurance Program (CHIP) to the Bureau for Medical Services (Medicaid) and delegates policymaking authority from the current board of directors to the program director.

Miscellaneous

<u>SB 468</u> – This bill is known as The Unborn Child with Down Syndrome Protection and Education Act. The bill prevents an abortion if the procedure is "being sought because of a disability... including Down syndrome," except in a medical emergency or in cases of a life-threatening condition that would prevent life outside the womb.

<u>SB 533</u> – This bill eliminates the 1-cent soda tax beginning on July 1. 2024. The tax has funded the WVU School of Medicine since 1951. The bill removes the tax and replaces the funds with money from the state Insurance Premium Tax. Monies will fund the WVU School of Medicine with \$14 million, Marshall University Joan C. Edwards School of Medicine with \$5.5 million and the Osteopathic School of Medicine with \$3.9 million.

<u>HB 2817</u> – This bill creates a new Donated Drug Repository Program to be administered by the West Virginia Board of Pharmacy. The Board is required to promulgate legislative rules to implement the provisions of the bill. Under the bill, a hospital may become a donor or eligible recipient. Specific provisions to be spelled out in legislative rules deal with eligibility requirements set forth in the bill and how donated drugs are to be treated. There is a handling fee to be set by the Board of Pharmacy along with provisions providing that an entity participating in a drug donation operated by another state may participate in the West Virginia program and in the case of a pharmacy, may dispense donated drugs to state residents. There are also liability protections incorporated in the bill.

<u>HB 4276</u> – This bill authorizes West Virginia University (WVU) to create a new Parkinson's disease registry. The bill permits WVU to collect data on the incidence of Parkinson's disease in West Virginia and other epidemiological data.

<u>HB 4393</u> – This bill amends the current tax placed on managed care organizations (MCOs). The bill adds an inflator to the managed care tax based upon changes in the capitation rates for Medicaid managed care. The bill also eliminates the sunset of the tax. In FY 2023, the estimated inflation factor is 3.6%, which brings the tax collections to \$46.9 million and matched with the federal FMAP of 74.185% to equal about \$228.5 million for Medicaid.

<u>HB 4559</u> – This bill relates to the Office of the Chief Medical Examiner and the disposition of unidentified and unclaimed remains. The bill authorizes the Medical Examiner to locate lands suitable for use as a cemetery to dispose of the remains. Other provisions in the bill authorize the Medical Examiner's Office to move forward with a range of rules to deal with the final disposition of unidentified and unclaimed remains.

Features of the FY 2023 State Budget

Once again legislators fulfilled their promise of approving the state budget before the conclusion of the session. The Legislature approved the Fiscal Year (FY) 2023 Budget (<u>SB 250</u>) and various supplemental appropriations to support state agency spending. The Budget Bill sets the general revenue budget for FY 2023 beginning in July at more than \$4.6 billion, a \$10 billion decrease from the budget bills presented by the Governor, House, and the Senate at the start of the session.

The Governor vetoed one line-item to eliminate setting aside \$265 million to cover future tax cuts (i.e. income tax cuts). In his <u>veto message</u>, the Governor said, "With the failure of the House Bill to eliminate the Personal Income Tax, <u>HB 4007</u>, and the passage of the Rainy Day Funds bill, <u>SB 487</u>, essentially eliminating the transfer of surpluses to the Rainy Day fund, there is absolutely no reason to set aside surplus revenues in a random agency without any general law purpose."

As for how hospitals faired in the budget, there were *no payment cuts*. Also, key hospital-specific line items supporting Medicaid including targeted line items supporting safety net urban and rural hospitals were fully funded in the budget as were several other important health related items such as the DSH funding and waiver programs to name a few.

With the support of the Legislature, the state's Telestroke Program once again was fully funded at \$1 million in the FY 2023 budget. In 2019, the legislature provided funding for hospitals to enhance their telestroke services and to consult with neurologists at Charleston Area Medical Center (CAMC), Mountain Health Network and WVU Medicine. West Virginians throughout the state are benefiting from neurological specialty consults, with about 30 West Virginia hospitals now participating in the program.

Overall, the budget reflects most legislative priorities, including the average 5 percent pay raise for state employees. Another bill SB <u>531</u> specifically adjusts pay for some state employees whose wage scales are in state code like teachers, other professional school workers like counselors, school personnel and State Police troopers.

As of this writing, three-quarters of the way through the fiscal year, state government is running threequarters of a billion dollars ahead of annual revenue estimates. The state's fiscal year runs from July to July. West Virginia government estimated bringing in \$3.226 billion in general revenue by this point in the year. So far, West Virginia's government has collected much more than that, \$3.966 billion. That puts the annual collections \$740 million ahead of estimates with the contributing factors being the personal income tax and the severance tax on coal and natural gas.

2022 Legislative Interim Period

The Legislature announced its 2022 Interim Schedule for this year, and we expect another busy interim period for hospitals thru December. The full interim schedule is below:

- April 24-26
- May 22-24 (at Morgantown/WVU)
- June 12-14
- July 24-26
- September 11-13
- November 13-15 (at Cacapon State Park/Berkeley Springs)
- December 5-6
- January 8-10, 2023

PEIA: There will be on-going legislative discussions this interim period on enhancing PEIA reimbursement to hospitals. We foresee a number of legislative interim committees looking at all facets of PEIA including programmatic and operational reforms that surfaced this session. Along with the strong interest to increase reimbursement to hospitals through <u>SB 574</u>, there was attention on <u>HB 4310</u> specifying when a public employee's spouse may be covered by PEIA.

CON: We also expect heavy emphasis this interim period on the Certificate of Need (CON) Program. Based on this year's legislative action alone, there continues to be interest in repealing and/or modifying the Certificate of Need (CON) program. As part of the interim study, there will be further examination of the <u>CON Standards</u> that guide the statutory requirements of the program.

EMS: Finally, this interim period we anticipate further discussion on EMS issues prompted by the introduction of <u>SB 652</u> requiring hospitals to receive patients transported to them by EMS providers. The bill was introduced and considered by the Senate but did not pass. It is likely that interim discussion will involve a number of key stakeholders who will be exploring ways to address patient care issues involving EMS, Emergency Departments (ED) and others charged with clinical care delivery across the state. Better data and new and innovative care delivery models will be part of the discussions.

Our advocacy efforts on these and other issues of importance to hospitals and health care will continue throughout the year during this interim period. 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

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, improve the image of hospitals statewide and build upon the great momentum that the hospital community generated during the 2022 legislative session.