IHA Legislative Position 2016

Hospital Operations

Payment for Prisoner Health Care Treatment

★ Background

Iowa hospitals are routinely asked to deliver health care services to incarcerated individuals or those in custody of law enforcement. Often these individuals require specialized care that can only be delivered in a hospital setting. While acknowledging that the patient should pay for health care services if they are able, all too often those in custody have no health insurance or financial means to pay for care. In these instances, it has long been held that the county, city or state (depending on jurisdiction) should reimburse hospitals for the care provided. Failure to do so adds to the charity care burden that ultimately impacts overall health system costs in Iowa. However, recently hospitals have been experiencing greater resistance from jails and prisons to accept this financial responsibility, which has led to litigation to try to resolve questions of financial responsibility.

During the 2015 Legislative session, progress was made in both chambers on this issue. HF 528 and SF 394, companion bills clarifying law enforcement responsibilities in paying for prisoner health care costs, were introduced by IHA and passed both chambers with support from IHA, counties, cities and the county sheriffs. However, both chambers failed to move forward with the other chamber’s bill due to resistance from stakeholder groups that could not come to a consensus on financial responsibility aspects of the bills. These bills remain eligible for consideration during the 2016 legislative session.

★ Action Needed

The General Assembly should clarify that the facility or jurisdiction that has custody of the individual (whether that be a city, county or state facility) shall reimburse the hospital for services provided resulting from injuries received while in that entities’ custody.

IHA supports the following principles:

- Hospitals should not be financially responsible for the payment of medical services provided to prisoners and/or those in law enforcement’s custody.
- Hospitals will provide the same level of care to all patients, regardless of whether they are in law enforcement or jail custody.
- Hospitals will follow their normal billing procedures when treating prisoners or people in custody of law enforcement.
- Hospitals should attempt to contract regarding the provision of medical services to prisoners with their local jails and law enforcement. Experience has shown, hospitals with these contractual arrangements are consistently paid a negotiated rate when serving this population.
- Hospitals do not support “patient dumping” by law enforcement and will, at all times, follow state and federal law regarding patient confidentiality.
AARP’s Caregiver Legislation

★ Background

During the 2015 session AARP lobbied in Iowa and other states for legislation commonly referred to as the CARE Act (Caregiver Advise, Record, Enable Act) that would require hospitals to train lay caregivers for any and all after-care tasks a patient being discharged to their home would require. IHA was opposed to this legislation because of its one-size-fits-all mandate nature and the work hospitals are currently deploying to improve patient care, reduce readmissions and reduce avoidable complications stemming from the originating hospital visit.

Hospitals support initiatives, policies and procedures to ensure patients are fully prepared for a successful discharge home or to a lower level of care. The discharge planning process begins as soon as a patient is admitted to the hospital and continues through patient and family member education on matters like medication management, wound care, etc. Hospitals expend countless hours preparing patients for a successful transition from the hospital, which can be seen in declining readmissions data.

★ Action Needed

The CARE Act legislation should not be adopted as a mandate for the hospital community. Rather, stakeholders, along with the hospital community, should utilize resources like the State Innovation Model (SIM) grant funding—the goals of which include engaging patients and families to raise the standard of care—to improve areas like readmissions.

Telehealth

★ Background

Prior to the 2015 session, Iowa was one of four states with no law or policy on telehealth. The Iowa Legislature made progress on telehealth in 2015, requiring Medicaid to pay claims delivered via telehealth the same as claims delivered in-person. However, this requirement does not apply to other payers operating in Iowa, creating a payment environment that is inconsistent and unreliable for hospitals. The lack of guaranteed payment for telehealth services is a problem for hospitals that can easily be resolved. Through legislation, the state could put in place consistent payment structures that will result in adoption of telehealth resources to ensure access to patients who would otherwise lack adequate access to providers or services.

★ Action Needed

IHA supports legislation in 2016 that provides reimbursement and parity from all carriers for all three types of telehealth services (live video or interactive (synchronous); store and forward (asynchronous) and remote monitoring) when similar to in-person services; allows physicians and health care providers to make decisions based on professional judgment regarding necessary care for their patients and enables health care providers to ensure privacy and security of telehealth services consistent with existing laws and regulations.

IHA encourages the Iowa General Assembly to adopt such legislation, recognizing that the health care delivery system is rapidly changing. Such legislation would ensure adoption of telehealth services throughout Iowa through consistent payments, parity with more traditional health care delivery models, while also recognizing telehealth as an additional health care tool that benefits all participants.

Adopting a comprehensive telehealth policy will positively impact Iowans by improving mental health availability, ensuring consistent access to health care services regardless of location and enabling Iowa to maintain physicians and services.
Taxation on Blood Testing Supplies

★ Background

In the state of Iowa, the sale of blood is exempt from sales tax. However, the Iowa Department of Revenue has determined goods used related to the testing of blood is a taxable expense, which costs blood centers approximately $300,000 per year. No surrounding states currently tax the testing of donated blood.

★ Action Needed

IHA encourages the legislature to adopt legislation that exempts testing supplies associated with the sale of blood from sales tax.