# 2023 Federal Advocacy Priorities







## 2023 Federal Advocacy Priorities

New York's hospitals and health systems are committed to providing their communities with high-quality care across the healthcare continuum. Yet, achieving this mission is at risk due to the <u>staggering financial challenges</u> hospitals and health systems face from skyrocketing operating costs.

Soaring costs for drugs, supplies and energy are compounded by persistent, severe workforce shortages and rising, unsustainable staffing costs. These uncontrollable, rising expenditures create a structural fiscal imbalance that threatens access to care in communities across the state.

To stabilize and ensure the sustainability of our hospitals and health systems, HANYS urges Congress and the administration to:

### Provide fiscal stability and security.

- Prevent catastrophic **Medicaid Disproportionate Share Hospital cuts** that will take effect in federal fiscal year 2024, totaling \$8 billion nationally and \$1.3 billion to New York state.
- Amend how hospital-specific **Disproportionate Share Hospital caps** are calculated to hold harmless hospitals disadvantaged by a policy that took effect Oct. 1, 2021.
- Urge the Federal Emergency Management Agency to expedite full and fair distribution of Public Assistance Program reimbursement funds by eliminating onerous documentation requirements and improving FEMA communication and transparency with hospitals and health systems.
- Protect the 340B Drug Pricing Program:
  - Address illegal actions by drug manufacturers that seek to limit hospitals' 340B savings.
  - Urge CMS to quickly address unlawful Medicare cuts for 340B drugs since 2018.
- Hold health plans accountable for harmful practices that limit patient access
  to care, reduce unnecessary burdens on providers and streamline overutilization of prior authorizations in Medicare Advantage by passing the *Improving*Seniors' Timely Access to Care Act.
- Protect against any other harmful payment cuts to healthcare providers, including site-neutral payment reductions, as Congress looks to offset the cost of other priorities.

### Bolster the healthcare workforce and build resiliency.

- Expand Graduate Medical Education funding via the Resident Physician
   Shortage Reduction Act and bolster clinician and other healthcare training programs to address serious healthcare workforce shortages.
- Expedite and increase visa authorization for qualified healthcare workers by passing the Healthcare Workforce Resilience Act.
- Provide resources for hospitals and health systems to update and improve aging infrastructure.

### Increase access to urgently needed behavioral health services.

- Secure adequate behavioral healthcare reimbursement for providers.
- Expand behavioral healthcare workforce and funding initiatives to help hospitals promote healthcare worker mental health.
- Repeal the **Medicaid Institutions for Mental Disease exclusion**, which prohibits using federal Medicaid funds to cover inpatient mental health services for patients aged 21 to 64 in certain freestanding psychiatric facilities.
- Eliminate Medicare's 190-day lifetime limit for inpatient behavioral psychiatric admissions.

#### **Support care transformation.**

- Extend regulatory and payment flexibilities that have helped maintain access
  to care during the **federal public health emergency** (such as the Critical Access
  Hospital 96-hour rule and skilled nursing facility 3-day rule) and support
  state efforts to ensure a smooth Medicaid redetermination process to secure
  consistent access to care for patients.
- Support New York state's Medicaid 1115 waiver request to address health equity, behavioral health and expand coverage and access to care.

