

KHA's Current Report January 10, 2025

President's Perspective - Federal Priorities and the Impact on Health Care Providers

The 119th Congress has been seated, and its business is underway. In the first quarter of 2025, the newly minted dual-chamber Republican majority will be tested by three major issues: the confirmation of incoming President Donald Trump's cabinet and leadership team, the adoption of the full fiscal year 2025 budget for the federal government, and the passage of budget reconciliation legislation to extend the expiring Trump tax cuts. All three of these priorities will have significant impacts on health care providers.

The first two items are well-known. Robert F. Kennedy, Jr. and Mehmet Oz, President-Elect Trump's nominees to head up the U.S. Department of Health and Human Services and Centers for Medicare & Medicaid Services, respectively, will likely bring new health care priorities that must be vetted and considered. The outlines of a budget agreement are easy to see despite the winding road Congress might need to get to yes, and hospitals are likely to see wins on the LVH/MDH designations and PAYGO/DSH cut decisions. The third matter–budget reconciliation–is not as well-known, and early indications are that providers are in for a fight early in the 119th Congress.

The issue is the extension of tax cuts passed by budget reconciliation during the Trump administration's first year. Budget reconciliation is a legislative maneuver allowing Congress to bypass its regular budgetary debate rules to address emergencies. Bills passed under this process can only last ten years when the underlying laws revert to their status quo. Originally designed to make spending cuts during difficult times, reconciliation has become a method of cutting taxes so long as the revenue and spending numbers line up. The Trump Administration tax cuts were passed in 2017 in a reconciliation bill scheduled to last only eight years, hence their timeliness now.

Because taxes affect revenue, all direct spending elements of the Social Security Act, including Medicare and Medicaid (and Social Security itself), are on the table as potential offsets. So far, as concerns health care providers, the main offsets GOP leaders have been eyeing are Medicare sequestration extensions, Medicare site-neutral payments, Medicaid block grants/FMAP changes and reductions to the ACA's premium tax credit.

As of now, Medicare sequestration by law will end in 2032. When initially passed in 2013, sequestration had been expected to end in 2021, but subsequent bills saw this as an easy offset, a can that could get kicked down the road to fund budgets now. Budget reconciliation supporters will likely look at this offset because it is large and has no immediate effect; indeed, this offset could be used only for what it would save the federal government in 2032, 2033, 2034, and 2035. For years, KHA has clarified to our congressional delegation that Medicare sequestration is fundamentally unfair and should not be extended beyond 2032.

Site-neutral payment schemes generally fall into four categories: full site-neutral payments even for hospital campuses, HOPD site-neutral payments, elimination of telehealth facility fees, and the prohibition on hospitals from negotiating higher payments from insurance companies in relation to other provider types. Of these four, the first provides the most significant offset but will be politically challenging for Congress. The fourth is ideologically opposed in general by Republicans while not producing any offsets for their purposes, Likely, the debate will hinge around options two and three, and KHA will continue to work with our delegation to explain to them why hospitals should be treated differently because we are already required to abide by EMTALA.

Medicaid block grants and federal match changes are politically problematic for a host of reasons, namely that such ideas are challenging to implement in such a way that does not turn certain states into winners and others into losers. Block grant proposals have been around for decades. Still, their design is usually projected to cause massive budget shortfalls at state levels of government, and Congress usually pulls back from them. The same is true of FMAP changes: many Republicans represent states that expanded Medicaid, so those states would be forced to either change their Medicaid programs to accommodate a new and reduced FMAP, or they would need to raise revenue at the state level to fill in the gaps. For Kansas, this would complicate the provider tax program and cast the future of how Medicaid is administered in the state into doubt. We will work with our delegation on any plan to help them understand its impact on Kansas hospitals.

Finally, ACA-enhanced premium tax credits are on the chopping block in budget reconciliation negotiations. Already set to expire at the end of 2025, counting this change as an offset seems like a logical place the GOP would go to save money in the overall bill. The CBO estimates that as many as four million people would lose coverage if these tax credits were to expire, and this would have a downstream effect on uncompensated care at hospitals. Further, it is unlikely to save the federal government as much money as they think, considering that DSH payments, particularly in non-expansion states like Kansas, would likely increase.

We look forward to serving Kansas hospitals as we work through these thorny issues in the 119th Congress. As for our team at KHA, which manages our federal advocacy and regulatory efforts, we are making some changes. Audrey Dunkel will focus more of her time on the hospital provider assessment program, and Jaron Caffrey will join Landon Fuller in working on our federal advocacy efforts. In addition, with Ron Marshall's upcoming retirement, Larry Van Der Wege will be helping on the federal regulatory side. As always, contact any of our team with your federal advocacy issues. KHA's website has a list of Kansas Congressional Delegation members, their staff, committee assignments, and various ways to contact them. Thanks!

--Chad Austin

Kansas Virtual Health Care Career Day - Jan. 30

Take advantage of this year's <u>Kansas Virtual Health Care Career Day</u>, and join us on Jan. 30, 2025. The Kansas Hospital Association, Kansas State Department of Education, and Kansas Board of Regents have partnered again this year. Check out the <u>agenda</u> for the 2025 event. KHA also has created <u>a list of ideas</u> to help hospitals interact with local students interested in health care careers during the event and encourages hospital participation.

The Kansas Virtual Health Care Career Day takes students "inside" Kansas hospitals to teach them about the many career opportunities available in health care and engage them in real-world learning. Students of all ages and grade levels are invited to participate in this virtual event. Health care providers will provide insights into eight career fields: respiratory therapy, family practice medicine, facilities management, behavioral health, pharmacy, health IT/cybersecurity, occupational therapy and critical care nursing.

This event is hosted on Zoom. Instructions will be sent out a week before the event. Some schools choose to participate in health science classes. Others may choose to broadcast to an open cafeteria/auditorium/resource room for all students. Hospitals are encouraged to host students for the event.

February is Career and Technical Education Month, and this event is a great way to kick off the month by allowing students to learn more about careers in a highly in-demand industry! Students of all education levels are invited to attend this free event from 9:00 a.m. to 12:30 p.m. on Jan. 30. We encourage hospitals to do all they can to get schools and students in their areas to participate.

--Jaron Caffrey

Excellence in Workforce Strategies – Departmental Managers Step Back to Empower Organizational Success

Strategies that address workforce recruitment and retention are essential to providing optimal health in Kansas. The Workforce Strategies Award recognizes a team of employees, providers or volunteers who have significantly contributed to the well-being, retention or recruitment of health care workers at their facility.

Good leaders understand when to stand aside and let employees use their knowledge and experience to shape the direction of an organization. The Nemaha Valley Community Hospital department managers in Seneca encourage empowerment, input and individualism.

The department managers also recognize how their hospital thrives when team members are seen as individuals with their dreams, challenges and needs. It is a philosophy put into practice that has yielded remarkable results."One of the things we are most proud of is our 99.36 retention rate. In today's environment, I think that says it all," said Kiley Floyd, CEO of Nemaha Valley Community Hospital.

NVCH managers consistently work to ensure employees are afforded professional and personal growth opportunities. These examples have ranged from a surgery nurse who wanted a flexible schedule to pursue her APRN. That nurse is now a licensed provider and pursuing her dream. Another example is when seven floor nurses had babies in one year. Managers rallied staff, and everyone chipped in to cover extra shifts including nursing staff from other departments. Other examples include a manager identifying signs of burnout and helping that staff member pivot to different opportunities within the organization, a facilities manager giving his housekeeping team a break by taking on some of the laundry duties himself, and the director of nursing helping a floor nurse find a place in the clinic so she could have more steady hours for her family.

"We understand the importance of a work/life balance. Our managers recognize the goal of their departments and the goals of the individual," said Floyd. "We emphasize that leadership is not only goal setting and strategy, but also about caring for the people we work with and for." NVCH has bolstered productivity and retention by involving everyone in the strategic planning process. NVCH leaders know that genuine problem solvers are the front-line staff identifying specific problems and potential solutions. Five focus areas were identified during the strategic planning process, and all staff participated in one or more. This led to staff owning the process and furthering their commitment to NVCH.

By encouraging growth and individual development inside and outside the workplace, NVCH was recognized by Chartis as one of the 2024 Top 20 Critical Access Hospitals and received Performance Leadership and Women's Choice for America's Best Hospital under 25 beds recognition.

"The NVCH model requires department leaders to step back sometimes, which is difficult for a group of overachievers, but you must let others spread their wings. In a small community, this job is more than just coming to work daily. It takes true commitment to our mission and each other," said Floyd.

--Shelby Stacy

KHA Annual Workforce/Human Resources Surveys in the Field

Three of the Kansas Hospital Association's annual workforce surveys are currently live in the field, and we encourage your participation.

The 2025 KHA Annual Vacancy and Turnover <u>Questionnaire</u> has been emailed to KHA members and is due on Feb. 14. The survey collects valuable information on vacancies and turnover for key health care positions. Your participation in the survey is greatly appreciated. Completed surveys should be emailed to <u>Jaron Caffrey</u> at the Kansas Hospital Association by Friday, Feb. 14. Last year's results can be viewed at <u>www.khastat.org</u>.

The 2025 Kansas Regional Healthcare Compensation and Benefits Survey opened last week, with submissions due by Feb. 7. Participation in the survey is free to KHA members, and only participating organizations will have access to results that will be shared with participants by April 15. Don't hesitate to contact <u>Jaron Caffrey</u> if you did not receive an email from Thomas Cummins with Gallagher Surveys with your hospital's survey information on Jan. 6.

For Kansas City metro hospitals, the KCMHC Turnover Survey is also now live and can be <u>submitted here</u>. This survey, separate from the vacancy and turnover questionnaire, provides blinded results to participating hospitals to benchmark turnover rates by facility size. The turnover survey is due Feb. 28.

If you or your HR team have any questions, please do not hesitate to contact <u>Jaron Caffrey</u> for assistance.

--Jaron Caffrey

Medicare Advantage Complaint Submission Process

Organizations representing Medicare providers and seeking assistance from the Centers for Medicare & Medicaid Services in resolving Medicare Advantage claims issues must complete this form by following these instructions:

- Please submit one form for each complainant/beneficiary, ensuring all information on the form is populated. **Each file must be password protected.**
- If you have multiple complainant/beneficiaries for the same parent organization (MAPD plan) you may bundle them in one email to the Medicare Part CDQuestions mailbox; however, make sure to complete/submit one form per individual.
- Do not submit medical records summarize specific issues.

CMS will enter complete complaint forms into the Complaints Tracking Module, directing MA to investigate the case. MAs have 30 days to work directly with the submitter(s) toward resolution. In general, CMS' role is to facilitate communication between the MA and the submitter. CMS does not determine medical necessity nor determine or resolve claim payments or payment disputes. CMS will identify and escalate repeated trends as warranted.

CMS has oversight of all MA plans nationally; however, all complaints are processed using one centralized email box (below) where password protected files should be sent to MedicarePartCDQuestions@cms.hhs.gov.

Upon entry of the complaint, CMS staff will provide the submitter with the complaint ID. <u>Please click here</u> to review the procedures and information needed to submit. --Shannan Flach

KHA Seeks Candidates for Senior Administrative Professional

The Kansas Hospital Association is seeking candidates to fill the position of senior administrative professional. Ideally, the chosen candidate will be on board by the first week of March. This position will report to the vice president, education and special projects. The senior administrative professional is responsible for serving KHA members by managing various Healthworks projects and providing administrative support for the vice president, education and special projects, the senior vice president of clinical and strategic initiatives and the director of regulatory affairs and preparedness. The senior administrative professional will be working with both KHA and Healthworks while delivering friendly customer service. Other facets of this position include managing the marketing and program development of the Healthworks Scholarship Program, grant writing support, and maintaining web pages for all Healthworks projects. The senior administrative professional will also support assigned KHA policy groups, allied organizations, and the KHA Annual Convention. Candidates should be proficient in Microsoft Office and able to perform mail merges and mailings, edit documents, create labels, build Excel spreadsheets and database entries, and perform other administrative duties. An associate degree is preferred; one to three years in one of the following areas is required: education, event planning, project management or communications. Additional qualifications are listed in the job description.

If you know someone with the skills required for this position who wants to be a resource for Kansas hospitals, please direct them to the <u>HR Partners website</u> for more information on the application process. All questions and requests for information about this position should be directed to <u>Lisa Conaway</u> at (785) 276-3115.

--Lisa Conaway

HIMSS Kansas Chapter 2025 Conference – April 10-11

Registration is now open for the 2025 Kansas Chapter Healthcare Information and Management Systems Society Conference, April 10-11 at the Drury Plaza Hotel Broadview in Wichita. Entitled *Mission: Discovery*, the 2025 conference will include expert presentations and discussions on Artificial Intelligence, Cyber Security, the new HIPAA rules and much more.

<u>Early bird pricing and registration</u> are now open. Please visit the Kansas Health Information Management Systems <u>website</u> for more information and hotel discount information. --Sally Othmer

KU Tobacco Treatment Specialist Training – Spring 2025

Registration is open for the <u>Spring 2025 KU Tobacco Treatment Specialist Training</u>. Scholarships are available to those who work with clients in the State of Kansas.

Don't hesitate; spots will fill up quickly! The course runs from Feb. 17 to April 28. The course gives providers motivation, knowledge and skills to integrate tobacco treatment into their current practices. The target audience for the training is health educators, behavioral health counselors, social workers, respiratory therapists, nurses, physicians, physician assistants, peer support specialists, community health workers, and other health and social service professionals.



For more information, visit <u>kumc.edu/tte</u> or contact Program Manager MeLinda Lair at <u>mlair@kumc.edu</u> or (913) 945-7888.

--Karen Braman

APS Hosts Webinar for WoodRiver Energy

APS is hosting a webinar for our vendor, WoodRiver Energy, to discuss the Natural Gas Options Selection offered to APS members. Action is required, so please plan on participating in this very informative webinar. WoodRiver Energy is devoted to helping small and medium-sized commercial, industrial, educational, and agricultural businesses with specialized market solutions that bring savings and manage risk through natural gas.



If you have questions or need additional information, contact <u>Dennis George</u> at (913) 327-8730. --Dennis George

Positions Available

<u>Chief Executive Officer</u> <u>Hillsboro Community Hospital</u>

101 Industrial Rd.

Hillsboro, KS 67063-9602 Contact: Darrel Morris

Email: dmorris@ruralhospital.net

Phone: (620) 947-3114 **Fax:** (620) 947-5690

Website: www.hillsborohospital.com

Apply Online Today! CLICK HERE The CEO oversees all hospital operations, ensuring efficient management and high-quality health care delivery. Reporting to the RHG regional vice president/chief operating officer, the CEO is responsible for aligning the hospital's strategic direction with community health care needs. The CEO appropriately manages the facility with little to no supervision. This position is responsible for managing department leaders across multiple units, including surgery, radiology, rehab therapy, nursing, and business operations. Responsibilities also include hiring, training, performing evaluations and ensuring compliance with hospital policies. Qualifications include a bachelor's degree; a master's in health in health care administration is preferred. Experience comprises at least five years in a health care leadership role or equivalent. Certification as a diplomate or fellow in the American College of Healthcare Executives is preferred. Applicants should be proficient in Microsoft Office, HRIS payroll and project management software. Knowledge of CPSI is preferred. The salary is competitive and commensurate with experience.

Chief Financial Officer Clara Barton Medical Center

250 W. Ninth

Hoisington, KS 67544

Contact: John Moshier, Human Resources Director

Phone: (620) 292-0817 **Fax:** (620) 653-5089

Email: jmoshier@cbhks.com
Website: clarabartonhospital.com

Apply Online Today! CLICK HERE

The CFO is responsible for directing the fiscal functions of the corporation according to generally accepted accounting principles. The CFO plans, coordinates and supervises the corporation's financial and accounting activities to ensure its effective and efficient operation. The CFO practices financial management using appropriate techniques and practices within regulatory and advisory standards guidelines. Responsibilities also include evaluating and advising on the impact of long-range planning, introducing new programs/strategies and regulatory action and analyses, preparing and interpreting monthly hospital financial reports to the CEO/Administrator and Board of Directors, and monitoring problem areas needing improvement. Qualifications include a bachelor's degree in finance with specific experience in health care finance including third-party reimbursement and financial analysis with a minimum of five years of management background preferred, the ability to plan and manage multiple projects, strong customer orientation, attention to detail, problem analysis and problem resolution and be proficient computer skills in Microsoft, QuickBooks, Peachtree base software. An attractive compensation package is available.

Radiology Director
Kingman Healthcare Center

750 West D. Ave. Kingman, KS 67068

Contact: Christine Jennings, CHRO

Phone: (620) 532-0200 **Fax:** (620) 532-0167

Email: christinej@kingmanhc.com
Website: www.kingmanhc.com



The radiology director oversees all radiology services within the critical access hospital, ensuring high-quality imaging services while complying with regulatory standards. This role involves managing staff, budgeting, quality assurance and collaborating with other departments to enhance patient care. Requirements include a bachelor's degree in radiologic technology, certification as an ARRT and registration in CT, a minimum of three years of clinical and management experience and strong knowledge of radiology practices, equipment and regulatory requirements.

Email <u>Jan Fenwick</u> if you have a management position available in your organization and would like it posted in *the Current Report*. Also check out <u>www.kshealthjobs.net</u> for other health care openings in Kansas.

--Jan Fenwick

Federal and National News

HRSA Announces Rural Residency Planning and Development Program

The Health Resources and Services Administration is accepting <u>applications</u> through Thursday, April 10, for funding to develop new sustainable rural residency programs to improve and expand access to health care in rural areas. The Rural Residency Planning and Development Program will fund eligible applicants up to \$750,000 for three years, from Aug. 1, 2025, to July 31, 2028. HRSA will offer a technical assistance <u>webinar</u> on Thursday, Jan. 23.

CMS Releases Final Rule of Benefit and Payment Parameters for Marketplace Products

The Centers for Medicare & Medicaid Services released a <u>final rule</u> of benefit and payment parameters for 2026. The rule includes requirements related to modifications to the calculation of Basic Health Program payments, changes to the Initial Validation Audit sampling approach and Second Validation Audit pairwise means test for the U.S. Department of Health and Human Services-Risk Adjustment Data Validation. The rule applies to issuers offering qualified health plans through Federally Facilitated Exchanges and State-based Exchanges on the Federal platform.

CMS Releases Medicare Proposed 2026 Payment Policy Updates for Medicare Advantage, Part D Programs

The Centers for Medicare & Medicaid Services released the calendar year 2024 Medicare Advantage capitation rate methodology and risk adjustment methodology applied under Part C. The proposed rule also includes a discussion of the annual adjustments for CY 2026 to the Medicare Part D benefit parameters for the standard benefit with revisions necessitated by the Inflation Reduction Act of 2022. CMS is projecting to spend \$9.2 trillion over the next decade on MA payments to plans.

CMS Shares Medicare CY 2025 OPPS and ASC Correction Notice

The Centers for Medicare & Medicaid Services released a <u>correction notice</u> for the final calendar year 2025 Medicare Hospital Outpatient Prospective Payment and Ambulatory Surgical Center payment systems. The corrections are technical in nature.

HRSA Accepting Grant Applications for Addiction Medicine Fellowship Program

The Health Resources and Services Administration announced new grants to expand the number of fellows at accredited Addiction Medicine Fellowship and Addiction Psychiatry Fellowship programs trained as addiction medicine specialists. These providers work in underserved, community-based settings that integrate primary care with mental health disorders and substance use disorder prevention and treatment services.

The <u>Addiction Medicine Fellowship Program</u> encompasses both psychiatry and an addiction subspecialty for primary care doctors training in prevention and treatment services in rural areas with limited or no access to substance use disorder treatment. The grant application deadline is Friday, Feb. 28.

MLN Connects Provider eNews Available

The Centers for Medicare & Medicaid Services issued the following <u>updates</u> to *MLN Connects Provider eNews*:

- Resources & Flexibilities to Assist with the Public Health Emergency in California
- CMS Moves Closer to Accountable Care Goals with 2025 Accountable Care Organization Initiatives
- Telehealth Flexibilities Extended until March 31
- CMS Roundup (Jan. 10, 2025)
- Health Professional Shortage Areas: Learn about Physician Bonuses
- Hympavzi Covered Under Part B with a Furnishing Fee
- Change of Ownership: Both Parties Must Submit Enrollment Applications Within 30 Days
- Cervical Health: Encourage Screening

Before You Go ...

- January is Substance Use Disorder Treatment Month. The Substance Abuse and Mental Health Services Administration offers <u>resources</u> about the importance of SUD treatment, including educational webinars and a social media toolkit.
- The American Medical Association released the <u>Overdose Epidemic Report 2024</u>, which
 outlines the incredible efforts of physicians nationwide to end the overdose epidemic. The
 report details the challenges patients continue to face and outlines several lifesaving
 recommendations.