

Full Senate Approves Legislation Maintaining Pharmacy Treatment Under Managed Care Plans

The full Senate this week approved a measure, SB 877, that would maintain pharmacy services for Medicaid recipients under managed care plans. The measure would also maintain a voluntary managed care system for recipients, essentially preventing the Department of Public Welfare from implementing its plan to move Medicaid recipients from HealthChoices (voluntary managed care) to Access Plus (fee-for-service). The legislation mirrors a resolution approved by the House Health and Human Services Committee on May 8.

Proponents of keeping pharmacy benefits under the managed care organizations (MCOs) argue that drug management is a key part of overall patient care. Moving to a fee-for-service program not only takes patients out of the watchful eye of the MCO system but also places them under a program that lacks flexibility needed in a drug management program.

On the voluntary managed care front, the Department of Public Welfare is considering moving Medicaid recipients there to fee-for-service plans. Again, managed care officials believe that such a removal would limit the flexibility needed for Medicaid recipients to receive the best health care available. In March, the Senate approved a resolution, SR 60, asking the Department of Public Welfare to delay efforts to switch from HealthChoices to Access Plus. A similar resolution, HR 242, has been reported from the House Health and Human Services Committee and awaits action by the full House.

Measure Aimed at Reducing Infections Acquired at Health Care Facilities Clears Senate Committee

Legislation targeting infections acquired at health care facilities by clarifying the roles of the state government and the facilities cleared the Senate Public Health and Welfare Committee this week. A spokesman for the Hospital & Healthsystem Association of Pennsylvania (HAP) said that it supports the measure as it's currently written. The sponsor of the measure and Chairman of the Committee, Senator Edwin B. Erickson, R-Delaware, said that the legislation will not force facilities to "reinvent the wheel" or scrap the initiatives that they have taken to date, nor will it create a cumbersome bureaucracy which will impede progress in addressing the issue of hospital-acquired infections (HIAs).

"Some hospitals have already made large financial commitments to control and reduce infections and have invested in electronic surveillance systems. This legislation will incorporate the actions taken to-date and build upon these actions so that all of our hospitals and nursing homes implement 'best practices' to control infections."

This legislation, SB 968, would do the following:

- Require hospitals and nursing homes to develop and implement system-wide internal infection control plans to improve the health and safety of patients and health care workers.
- Require hospitals and nursing homes to report health care-associated infections as serious events or incidents to the Patient Safety Authority.
- Charge the Patient Safety Authority with establishing uniform definitions for identifying and reporting infections based on nationally recognized standards, with implementing uniform reporting requirements, and with developing a methodology using nationally recognized standards for determining the incidence of health-care associated infections in Pennsylvania and in comparison to national incidence rates.
- Require that insurers and the Medical Assistance Program reimburse for the cost of routine cultures and screenings.
- Provide incentive payments to facilities that reduce health care-associated infections based on benchmarks developed in consultation with the Patient Safety Authority.
- Establish the Community Awareness Program in the Health Department to educate Pennsylvanians on prevention and treatment of health care-associated infections, causes and symptoms, and proper use of antibiotics.
- Direct the Department of Health to determine the feasibility of establishing population-specific active surveillance programs, such as for correctional facilities.

The Centers for Disease Control and Prevention estimates that infections acquired in health care facilities affect two million patients a year in the United States, with more than 100,000 dying from bacteria that are increasingly resistant to common antibiotics. Last week, HAP testified before the Senate Public Health and Welfare Committee, saying it opposed portions of the Governor's 'Prescription for Pennsylvania' proposal dealing with infections acquired at hospitals because the requirements focus on hospitals only. The Rendell proposal also mandates the use of a single electronic surveillance system, and requires universal screening of all patients and residents when admitted and periodic, random screening of inpatients, residents and staff.

In related news, representatives from nearly 100 hospitals visited Harrisburg this week to express their concern with language in the current version of the budget bill, HB 1286, that would cut state funding to hospitals by \$24.8 million over the current fiscal year. The cuts grow to \$54.1 million when federal matching funds are included. HAP noted that HB 1286 greatly reduces the time, from 30 days to seven days, that Medicaid will cover a patient for readmittance due to a complication from a prior procedure. The bill would also reduce disproportionate share payments to hospitals for some uninsured.

“Most of the bad debt we face is not from uninsured patients, but those who have some coverage but don't pay their entire bills,” explained a HAP official.

In addition to seeking restoration of the \$24.8 million, Pennsylvania's hospitals are urging lawmakers to provide an additional \$32.5 million in state funds for hospital

obstetrical and neonatal intensive care services, physician and nurse midwife delivery fees, and Medicaid payment redesign. Total state funding being sought is \$57.3 million.

“The proposed budget cuts impact patient care services, workforce, and decisions about investment in health care technology and clinical advancement,” said Carolyn F. Scanlan, president and CEO of HAP. “When dollars are taken out of an already fiscally stressed system—dollars that support safety net services for the poor and uninsured, as well as specialty health care services for burn care—there are consequences.