

2016 Legislative Update

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Legislative Update

2016 Session
HFMA Spring Institute
April 5, 2016

Presented by
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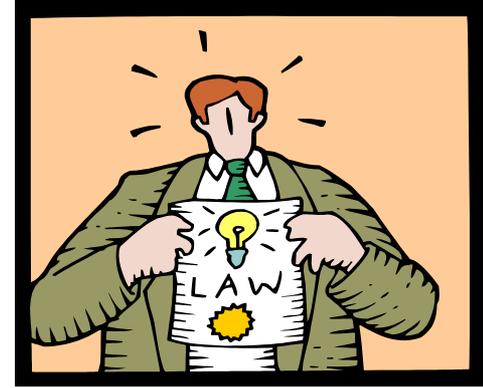
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Your Indiana General Assembly

- 2016
 - **January–March 10:** 2016 Legislative Session
 - Non-budget “short” session
 - **April–November:** Statewide Elections
 - Governor of Indiana
 - Gov. Mike Pence vs. John Gregg
 - Indiana General Assembly:
 - Senate (half, 25 of 50 members)
 - House (all 100 members)

Introduced Bills

- House Bills
 - 400
- Senate Bills
 - 431



Bills Remaining

- 215 bills signed into law.
- 2 vetoes.

2016 “Short” Legislative Session

SENATE	HOUSE
JANUARY	
January 5: First Day of Session	
January 12: State of the State	
January 13: State of the Judiciary	
January 8: Bill Filing Deadline	January 12: Bill Filing Deadline
January 18: Statehouse Offices Closed (Martin Luther King, Jr. Holiday)	
January 28: Committee Reports Deadline	January 28: Committee Reports Deadline
FEBRUARY	
February 2: Second Reading Deadline	February 2: Second Reading Deadline
February 3: Third Reading Deadline	February 3: Third Reading Deadline
February 4-5: Mid-Session Break – No floor or committee activity	February 4-5: Mid-Session Break – No floor or committee activity
Bills Switch Chambers	
February 29: Committee Reports Deadline	February 29: Committee Reports Deadline
March	
March 2: Second Reading Deadline	March 2: Second Reading Deadline
March 3: Third Reading Deadline	March 3: Third Reading Deadline
March 7: Conference Committees Begin	
March 14: <i>Sine Die</i> Deadline	

Road Funding

HEA 1001: Road Funding. (Soliday)

- As introduced, increased the cigarette tax by \$1.00 from \$0.995 to \$1.995 per pack beginning in FY 2017
 - Increase would have produced an add'l \$227.4 M in FY 2015
- Final version:
 - Removed the cigarette and gas tax increases.
 - One-time disbursements from reserves.

Healthy Indiana Plan 2.0

- **SEA 165: HIP 2.0 (Miller)** 
 - Repeals much of original Healthy Indiana Plan statute.
 - Codifies major elements of the current HIP 2.0 plan, including covered services, POWER Account contributions, lockout provisions, and ED co-payments.
 - Removes discretion of FSSA Secretary's authority to make certain changes to the program without approval of the legislature.

Medical Malpractice Act

SB 152/SEA 28: Medical Malpractice (Steele)

- SB 152 did not pass.
- SB 28 revived in second-half via strip-and-insert.
- Increases the overall cap on damage awards:
 - July 1, 2017: \$1,250,000 to \$1,650,000
 - Provider's responsibility (increases from \$250,000 to \$400,000).
 - July 1, 2019: \$1,650,000 to \$1,800,000
 - Provider's responsibility increases to \$500,000.
- Cap on attorney's fees to 32%.
- No increase to "direct access" threshold (\$15,000).

Telemedicine Prescribing

- **HEA 1263: Prescriptions and Telemedicine (Kirchhofer)**
 - Permits Physicians, PAs and APNs to prescribe non-controlled legend drugs via telemedicine without having first examined the patient in person.
 - Must establish provider-patient relationship and meet same standard of care as in-person services.
 - Out-of-state providers may have to file certification with PLA.
 - Overrides current law prohibiting physicians from prescribing without having “personally physically examined and diagnosed”.
- For more information: <http://blogs.hallrender.com/blog/new-indiana-law-permits-telemedicine-prescriptions/>.

Medicaid Provider Audits

- **SEA 364: Medicaid Provider Audits (Bassler)**
 - FSSA to establish workgroup of OMPP and various Medicaid providers to discuss policies and procedures used in performance of Medicaid provider audits and possible improvements to the process.
 - Before December 1, 2016, FSSA shall submit a written report of the workgroup's findings and any statutory recommendations to the General Assembly

Transparency

- **HB 1291: Access to health care cost information (Schaibley)** 
 - Requires health care providers (hospitals, ASCs, and physician offices) and health plans to provide, upon request, to insured patients the estimated out-of-pocket costs the patient will incur for certain health care services.
- **SEA 126: Political subdivision info on the internet (Miller)** 
 - Requires basic expenditure and fund balance information from local units of government to be reported to Indiana Transparency website.
 - Exempts county hospital Form 100R report from public disclosure

Healthcare Administration & Policy

- **SEA 309: State and Local Taxation (Hershman)** 
 - Last year, for-profit hospitals permitted a credit against their corporate adjusted gross income tax liability equal to 10% of property taxes paid in a taxable year.
 - SEA 309 permits this credit to be carried forward to a succeeding taxable year if the entire credit cannot be used.
- **HEA 1290: State and Local Administration (Brown)** 
 - Last year, Safety PIN grant program created to support initiatives addressing various contributing factors of high infant mortality rates.
 - HEA 1290 increases initial grant award from 50% to 60% of total.

Healthcare Administration & Policy

- **HEA 1347: Mental Health Matters (Kirchhofer)** 
 - Requires FSSA to reimburse under Medicaid for certain services performed by Advanced Practice Nurses in CMHCs.
 - Permits certain APNs to supervise a plan of treatment for a patient's outpatient mental health services and substance abuse treatment services.
 - Authorizes Medicaid reimbursement for eligible services provided by a student in a CMHC under direct supervision.
 - Requires FSSA to reimburse for services delivered by clinical addiction counselors for eligible behavioral health or addiction services.

Healthcare Administration & Policy

- **SEA 214/297: Controlled Substances (Hershman / Miller)** 
 - Requires DMHA to develop treatment protocol containing best practice guidelines for office-based opioid treatment providers.
 - Requires Medicaid coverage for inpatient detoxification for treatment of opioid or alcohol dependence.
 - Prohibits Medicaid reimbursement for off-label use of Subutex.
 - Requires opioid treatment programs to enroll as Medicaid or HIP 2.0 providers, or enroll as Ordering, Prescribing and Referring (OPR) providers and sign an MOU with CMHC for referring certain services.
 - Urges study of reimbursement barriers to MAT treatments.

Healthcare Administration & Policy

- **SB 171: Electronic Health Care Claim Payments (Becker)** 
 - Creates a study committee to review provider claim payment methods, particularly the use of electronic fund transfer and other methods involving banking fees
- **SEA 271: Drug Enforcement, Treatment, and Prevention (Merritt)** 
 - Establishes Commission to coordinate state agencies to identify, study and promote strategies and best practices related to substances abuse prevention, treatment and enforcement.

Healthcare Administration & Policy

- **SB 162: Hospital employee immunizations (Miller)** 
 - Would have required hospital workers with direct patient contact to be immunized against influenza, varicella, measles, mumps, rubella, tetanus, diphtheria, and pertussis.
 - Permitted exceptions for medical contraindications and religious objections.
- **HB 1335: Video recordings of surgeries (Goodin)** 
 - Would have required health care facilities to provide patients with the option to video record certain surgical procedures.
 - Would have required insurers to provide coverage for video recordings.

Healthcare Administration & Policy

- **SEA 315: Distribution of ISDH information. (Brown)** 
 - Requires health care providers and facilities to distribute certain ISDH-provided information on postnatal donation initiatives to women who receive prenatal services or give birth.
- **SEA 186: Release of tests of pregnant women. (Merritt)** 
 - Prohibits physicians, APNs, and PAs from releasing the results of a pregnant woman's verbal screen or other drug or alcohol tests to law enforcement, unless under a court order or with patient consent.

Healthcare Administration & Policy

- **HEA 1337: Abortion. (Cox)** 
 - Prohibits a physician from performing an abortion if the physician has knowledge that the woman seeking the abortion is doing so solely because of the following: (1) the race, color, national origin, ancestry, or sex of the fetus; or (2) a diagnosis or potential diagnosis of the fetus having Down syndrome or any other disability, except where the disability is a lethal fetal anomaly.
 - Sets forth requirements for how a health care facility or abortion clinic must preserve and dispose of miscarried or aborted fetal remains.

OTC Ephedrine/Pseudoephedrine

- **HEA 1157 (Frizzell) / SEA 161 (Young): Drug offender block.** 
 - Prohibits over-the-counter sales of PSE to convicted drug offenders, while maintaining access to others.
- **SEA 80 (Head): Pharmacists and ephedrine.** 
 - Requires pharmacists to screen consumers prior to making over-the-counter sales of PSE and permits denial of sales on the basis of the pharmacist's professional judgment.
- **HB 1390 (Smaltz): Ephedrine and Pseudoephedrine.** 
 - Maintains over-the-counter PSE access to known pharmacy customers. Unknown customers may be sold only extraction-resistant PSE or a 3-day supply – otherwise Rx is needed. Pharmacist discretion when customer has legitimate need.

Other Pharmacy Issues

HEA 1278: INSPECT program (Davisson)

- Mandate **DID NOT PASS** that would have required to all prescribers to check INSPECT prior to prescribing a Schedule II or III controlled substances and to continually thereafter.
- Provisions effective July 1, 2016:
 - Prescribers may now include INSPECT reports in patient medical record and permits patient access to INSPECT report.
 - Clarifies that agents of prescriber may check INSPECT report on behalf of the prescriber.
 - County coroners may access INSPECT in death investigation.

Other Pharmacy Issues

SEA 41: Pharmacy benefits. (M. Crider)

- Requires insurers to make available, and publish on their website, the insurer's procedure for a covered individual to use in requesting an exception to a step therapy protocol.
- Mandates circumstances in which exceptions must be granted.



Please visit the Hall Render Blog at <http://blogs.hallrender.com> for more information on topics related to health care law.

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