



## **LEGISLATIVE UPDATE**

**February 2018**

### **Governor's Budget Proposal Maintains Funding for Healthcare Priorities**

Gov. Rick Snyder presented his executive budget recommendation to the Legislature Feb. 7, encompassing fiscal year (FY) 2019. The budget recommendation protects key hospital and health system priorities related to access and education. Key highlights include:

- The FY 2019 budget proposal maintains general fund spending for graduate medical education, rural obstetrical hospital services, and rural access at the FY 2018 levels.
- Through the MHA's efforts, the executive budget also includes a new \$7 million in general funds for the rural access and obstetrical stabilization pool hospitals. The MHA will continue its efforts to increase funding for rural access and obstetrical hospitals to a total of \$10 million for both FYs 2018 and 2019.
- The state's obligation for the Healthy Michigan Plan is fully funded. The MHA will continue to advocate to ensure its protection at the state and federal levels.
- Medicaid reimbursement rates remain the same, including the uplift for primary care physician services to the midpoint between Medicaid and Medicare rates.

### **Psychiatric Bed Registry Bill Moves to House Floor**

On Feb. 14, the House Health Policy Committee reported out House Bill (HB) 5439, which requires the Michigan Department of Health and Human Services (MDHHS) to create an inpatient psychiatric bed registry. The proposed legislation is one of the Community Access Resources Education and Safety (CARES) Task Force recommendations.

Intended to facilitate timely transfer and admission into an inpatient psychiatric bed, the registry would establish an online list of open psychiatric beds that inpatient psychiatric hospitals would update regularly as patients are discharged and beds become available. HB 5439 is intended to improve patient care, ease overcrowding in emergency rooms, and expedite the process of connecting patients with psychiatric hospitals and hospital units.

### **Calley Urges Health Systems to Use State Funding to Integrate with the Michigan Automated Prescription System (MAPS)**

MAPS is a critical component in the fight against the opioid epidemic. Lt. Gov. Brian Calley urged all health systems and hospitals in Michigan to integrate their existing electronic health records (EHR) with the Michigan Automated Prescription System (MAPS) as part of the fight against opioid misuse. The new MAPS is a

computerized system that allows prescribers to track patients' prescriptions in real time and is designed to give prescribers and dispensers another tool to make informed medical decisions.

Integration allows the new platform to become part of the clinical workflow, where dispensers and prescribers will have immediate access to a patient's health history and usage patterns to help identify potential risk factors for prescription drug abuse. The state of Michigan is covering the full cost of integration of MAPS into the clinical workflow of health systems, physician groups and pharmacies until Aug. 31, 2019. To take advantage of the funding available for integration, the MHA urges hospitals to request software integration from the Department of Licensing and Regulatory Affairs (LARA). LARA will connect providers to Appriss Health, which will walk through the integration process with the health system and EHR vendor.

### **Medicare Advantage Enrollment Continues to Rise**

Medicare Advantage (MA) enrollment in Michigan totaled approximately 812,000 in January, an increase of 85,000 beneficiaries since October. The January MA enrollment is spread across 34 MA plans that are currently operating in the state, with approximately 41 percent of Michigan's 2 million Medicare beneficiaries covered by an MA plan. Hospitals are encouraged to carefully review payments from each MA plan to ensure that the plan has paid the correct rates. With up to 20 plans covering beneficiaries in some Michigan counties, a significant burden has been created for hospitals, which may be intensified if MA plans conduct their own audits for medical necessity and other utilization issues.

To assist hospitals in identifying which MA plans are currently operating in their region, the MHA has updated the list of plans in each Michigan County, based on January enrollment. In addition to the 34 plans currently licensed in the state, Michigan hospitals often treat patients covered by MA plans licensed in other states, further complicating the payment process. Members with questions should contact Kellen Teel at the MHA.