

2024

WEST VIRGINIA HOSPITAL ASSOCIATION LEGISLATIVE PRIORITIES



West Virginia hospitals are anchors in communities, providing both needed services and stable jobs 24/7/365. Hospitals are among the state's top employers, directly employing 49,000 people statewide, and supporting \$12.5 billion in economic activity. West Virginia hospitals play a vital role in enhancing the physical and mental health of West Virginians and creating a foundation for an economically strong state. Here are the main **Highlights** of the West Virginia Hospital Association's (WVHA) legislative priorities for the 2024 Regular Session.

The future of West Virginia's economy and health depends on its health care infrastructure.

IMPROVING FINANCIAL STABILITY FOR HOSPITALS

Hospitals in West Virginia and around the country continue to face significant challenges such as rising costs for labor, supplies, and drugs, workplace shortages, sicker patients, and longer hospital stays. These factors have all increased pressure on the health care delivery system. Between 2019 and 2022, hospital costs increased 17.5% on average, with drug costs increasing greater than 20% during that same period. Our hospital labor costs, generally accounting for nearly 50% of a hospital's expenses, have risen even faster given the national shortages of health care workers.

- West Virginia hospitals are especially vulnerable to these challenges as we have a high governmental payer mix (Medicare, Medicaid, PEIA) of approximately 75% versus a national average of approximately 41%.
- West Virginia has worked diligently to reverse this reality through economic development efforts that will transform our payer mix to more individuals receiving their health insurance through their employer.
- Payments through state Medicaid, another government health insurance program, still fall short of covering the cost of care for West Virginia hospitals.
- The Legislature has taken steps to address Medicaid low payments through approval of supplemental payment programs authorized by the federal government to allow states the flexibility to provide additional payments to hospitals while accessing matched federal funds. Thank you!
- The hospital community wants to be proactive by working with policymakers to enhance these supplemental payment programs to ensure access to care.

West Virginia Hospitals

- Provide care to all who need it, 24/7/365.
- Provide services and programs to advance health and wellness and drive research, education, and innovation.
- Directly employ nearly 49,000 West Virginians.
- Pay \$3.5 billion in direct wages and benefits.
- Indirectly support another 42,000 West Virginia jobs.
- Contribute \$1.02 billion in community benefit and drive \$12.5 billion in economic impact.

69 Hospitals in West Virginia

25 General acute care hospitals
21 Critical Access Hospitals (CAH)
23 Specialty facilities including VAs

Legislative Opportunity: Legislation that will further maximize federal matching dollars directed to the Medicaid Supplemental Payment Program - hospital directed payment program.



SUPPORTING OUR HEALTH CARE WORKFORCE

The core mission of hospitals is caring for people. To fulfill that mission, hospitals need compassionate, skilled, trained, and dedicated professionals. In West Virginia, hospitals directly employ 49,000 compassionate caregivers. Our employees are our most precious resource, and we are committed to supporting them today, preparing them for tomorrow and building a pathway for the future. Health care is a labor-intensive field, requiring 24-hour-per-day/seven-days-per-week staffing to achieve optimal quality outcomes. Investment in a qualified and engaged multi-disciplinary workforce is foundational.

- Thanks to policymakers, West Virginia is continuing to move in the right direction through policies, programs and initiatives that are strengthening the state's health care workforce both in number and education opportunities.
- Progress is being made in the Nursing and EMS workforce. Thank you!
- Hospitals too are proactively implementing programs to attract and retain the workforce and they're working hard to appropriately manage human resources to meet the ever-changing needs of patients.
- The hospital community wants to work with policymakers to complement these collective efforts.

Legislative Opportunity: Legislation to protect our health care workers through anti-doxing to make it a crime to disseminate personal identifying information with the intent to intimidate, abuse, threaten, harass or frighten.

ADVANCING AFFORDABLE PRESCRIPTIONS

The *340B Drug Pricing Program* is critical to eligible health care providers including federally qualified health centers (FQHCs), critical access hospitals (CAHs), disproportionate share hospitals, and black lung clinics throughout West Virginia. The program is more important than ever as drug prices are the most rapidly growing expense for hospitals. For the first time in history, the median price of a new drug exceeds \$200,000 – more than triple the median annual household income in the U.S. As major purchasers of drugs, hospitals are forced to bear a significant burden of the rising costs. 340B helps hospitals navigate out of control drug costs and is an important tool to retain low-cost access to care in communities across West Virginia.

- The *340B Drug Pricing Program* allows covered safety net hospitals and other community care organizations to access certain outpatient prescriptions drugs at discounted prices.
- One of the greatest strengths of the *Program* is the flexibility it provides to invest savings back into local health care needs.
- The Legislature has acted responsibly to protect this Program and in turn protect citizens' access to care through legislation that regulates Pharmacy Benefit Managers (PBMs). Thank you!
- The hospital and health care community want to build on these efforts to help advance the goals of the *340B Program* and protect access to care in West Virginia.

Legislative Opportunity: Legislation that will prohibit PBMs from discriminating against pharmacies participating in the *340B Drug Pricing Program*, with emphasis on ensuring 340B covered entities like FQHCs, hospitals, and black lung clinics retain savings to help fund services for underserved populations.

OTHER 2024 LEGISLATIVE OPPORTUNITIES

- Continue seeking improvements to the mental hygiene process and pediatric/adolescent mental health services to ensure access to care, with emphasis on telehealth opportunities for psychiatric patients in the emergency department.
- Sustaining West Virginia's current Childhood Immunization laws, with emphasis on promoting public health/disease prevention.
- Continuing support of the Emergency Medical Services (EMS) community to ensure an efficient emergency delivery system for patients and providers.

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