



# NEW LAWS GOING INTO EFFECT JULY 1: WHAT EVERY VIRGINIA HOSPITAL LEADER NEEDS TO KNOW



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# AGENDA

- 2024 General Assembly Session Overview
- New Laws
  - Emergency Department Staffing Requirements
  - Smoke Evacuation Systems
  - Medical Debt Collection Practices
  - Behavioral Health
  - Health Professions and Licensure
  - Insurance – Fair Business Practices Act, Continuity of Care, and Prior Authorizations
  - Prescription Drug Labeling
- The Budget
- Coming Up!

# 2024 GENERAL ASSEMBLY SESSION OVERVIEW



2024 GENERAL  
ASSEMBLY  
SESSION  
OVERVIEW

- The 2024 General Assembly adjourned *Sine Die* on Saturday, March 9<sup>th</sup>.
  - 3,594 pieces of legislation introduced
  - 2,280 passed the House and Senate
  - 153 bills vetoed by the Governor
- Strong outcomes for VHHA legislative priority items.
- Strong outcomes in defeating problematic legislative initiatives.
- No major changes to VHHA priorities by the Governor in the Reconvene Session.
- Next General Assembly begins January 8, 2025.

# CH-CH-CHUH - CHANGES!



History is Made

## Leadership



①

## Legislature

# 53

New Members

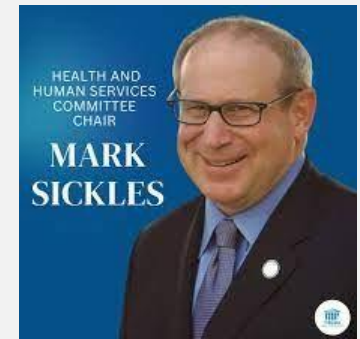
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## General Assembly Building



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## Committee Chairs



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## 2024 HOUSE AND SENATE LEADERSHIP

Speaker of the House: Delegate **Don Scott**

Minority Leader of the House: Delegate **Todd Gilbert**

House Appropriations Chairman Delegate **Luke Torian**

HHS Chairman Delegate **Mark Sickles**

House Labor & Commerce Chairwoman Delegate **Jeion Ward**

Majority Leader in the Senate: Senator **Scott Surovell**

Minority Leader in the Senate: Senator **Ryan McDougle**

Senate Finance & Appropriations Chairwoman Senator **Louise Lucas**

Senate Education & Health Chairwoman Senator **Ghazala Hashmi**

Senate Commerce & Labor Chairman Senator **Creigh Deeds**

# NEW LAWS

## Emergency Department Staffing Requirements HB 353 (Hope)/SB 392 (Pekarsky)

### HOSPITAL REGULATION: *ED Staffing Requirements*

- ✓ Requires the Board of Health to amend hospital licensure regulations to require any hospital with an emergency department to have at least one licensed physician who is *primarily responsible* for the emergency department on duty and physically present at all times.
- ✓ Current law requires hospitals to have a licensed physician on call, though not necessarily physically present on the premises at all times.
- ✓ Delayed Effective Date: July 1, 2025, and regulations will be required for implementation by VDH.



- ✓ Evaluate the need for any necessary changes to physician staffing for the emergency department and applicable policies and procedures as necessary to accommodate the requirements of the law.



HOSPITAL  
REGULATION:  
*Smoke Evacuation  
Systems*

**Smoke Evacuation Systems**  
**HB 763 (Delaney)/SB 537 (Bagby)**

- ✓ Requires the Board of Health to amend hospital licensure regulations to require that every hospital where surgical procedures are performed adopt a policy requiring the use of a smoke evacuation for all planned surgical procedures that are likely to generate surgical smoke.
- ✓ The law defines “smoke evacuation system” as equipment and technologies designed to capture, filter, and remove surgical smoke at the site of origin and to prevent surgical smoke from making ocular contact or contact with a person’s respiratory tract.
- ✓ Delayed Effective Date: July 1, 2025, and regulations will be required for implementation by VDH.



- ✓ Evaluate the need for the development of, or any necessary changes to, applicable policies and procedures, the need to purchase or make available smoke evacuation systems for use in surgical procedures, and the need for related training of appropriate staff.

MEDICAL  
DEBT  
COLLECTION:  
*Statute of  
Limitations*

## Medical Debt Collection Statute of Limitations HB 34 (Clark)

- ✓ Provides that in any action involving a contract to collect medical debt, whether written or oral, the action is barred if not commenced within three years from the due date applicable to the final invoice for a health care service, unless the contract is for a payment plan that allows for a longer period for the collection of debt.
  - ✓ In the event of breach of a payment plan, an action is barred if not commenced within three years from the date of the breach by the debtor.
  - ✓ The legislation also specifies the limitation shall not apply to medical debt arising from services provided under the state Medicaid program.
- ✓ Notify billing departments and financial assistance staff that no action may be brought to collect a medical debt after three years from the due date applicable to the final invoice for the service rendered (unless under a payment plan).
  - ✓ Evaluate the need for any necessary changes to applicable policies and procedures for the collection of medical debt and related notices and communications to patients.



MEDICAL  
DEBT  
COLLECTION:  
*Credit Reporting*

**Medical Debt Collection: Credit Reporting**  
**HB1370 (Delaney)**

- ✓ Prohibits any medical facility for which a Certificate of Public Need is required, certain health care professionals (any person certified or licensed by a Board within the Department of Health Professions), and emergency medical services agencies from reporting medical debt to a consumer reporting agency.
- ✓ The legislation further prohibits collection agencies attempting to collect medical debt from reporting to a consumer reporting agency.
- ✓ A willful violation constitutes a prohibited practice under the Virginia Consumer Protection Act subject to monetary fines.
- ✓ Notify billing departments and financial assistance staff that medical debts owed by a patient cannot be reported to a credit reporting agency.



BEHAVIORAL  
HEALTH:  
*TDO Practices*

**Behavioral Health TDO Practices**  
**HB 1242 (Willett)/SB 546 (Bagby)**

- ✓ Requires the emergency room or other appropriate facility at which an evaluation of an individual to determine whether the criteria for a TDO are met to allow the individual's family member or legal guardian to be present with the individual to provide support and supportive decision making, unless the individual objects or the evaluator or treating physician determines that their presence would create a medical, clinical, or safety risk to the patient or health care provider or interferes with patient care.

- ✓ Notify ED staff and affected providers of the requirement to allow, if safe, a patient's family member or legal guardian to be present during an evaluation for a TDO and evaluate the need for any changes to applicable policies and procedures, as well as the need for any related training of emergency department staff and affected providers.



## Reporting Mental Health Treatment of Health Care Providers HB 42 (Hope)/SB 629 (Pillion)

HEALTH  
PROFESSIONS:  
*Reporting Mental  
Health Treatment  
of Health Care  
Providers*

- ✓ Clarifies reporting requirements that apply to CEOs and Chiefs of Staff of hospitals and other health care facilities when a health care professional is admitted for treatment of substance abuse or psychiatric illness.
  - If voluntary admission and is no longer believed to be a danger within 30 days, then no report is required to be made.
  - If involuntarily admission, remains unchanged - a report is required within 5 days.
- ✓ Adds dentists and dental hygienists to the Safe Haven program and to the list of those immune from civil liability while serving as a member of or consultant to a professional program to address issues related to career fatigue and wellness in health care professionals.
- ✓ The law also expands the types of services that can be provided to include outpatient treatment.
  - ✓ Evaluate the need for any necessary changes to applicable policies and procedures regarding mandatory reporting requirements and the need for any related training of required reporters and relevant staff.



## Physician Assistant Practice Agreements SB 133 (Head)

### HEALTH PROFESSIONS: *Physician Assistants Practice Agreements*

- ✓ Allows physician assistants employed by a hospital, in certain facilities operation by DBHDS, or in FQHCs to practice without a separate practice agreement if the credentialing and privileging requirements of the facility include a practice agreement that incorporates the components of a practice agreement.
- ✓ Such physician assistants must continue to practice as part of a patient care team in collaboration and consultation with patient care team provider.



- ✓ Evaluate whether employed physician assistant practice agreements should be consolidated into facility credentialing and privilege requirements.

HEALTH  
PROFESSIONS:  
*Practice Authority  
Nurse  
Practitioners*

## Practice Authority for Nurse Practitioners HB 971 (Tran)

- ✓ Lowers from 5 years to 3 years the amount of full-time clinical experience required before an advanced practice registered nurse may practice without a practice agreement and permits qualified nurse practitioners to attest that a nurse practitioner may be qualified to practice without a practice agreement.
- ✓ The law also modifies the rules that permit advanced practice registered nurses to practice without a practice agreement when a patient care team physician is no longer able to serve (e.g., due to death, retirement, or separation) by allowing an advanced practice registered nurse that has transitioned to independent practice more than three years prior to serve at the patient care team provider.
- ✓ Notify human resources and medical staff and credentialing departments of the reduced transition to practice period and ability to advance practice nurses to serve as an alternative to a patient care team physician in limited circumstances.



LICENSURE:  
*Foreign Trained  
Physicians*

**Foreign Trained Physicians  
HB 995 (Tran)**

- ✓ Permits the Board of Medicine to issue a provisional license to a physician licensed in a foreign country for no more than two years, then a subsequent renewable two-year license if the physician practices in a medically underserved area.
- ✓ After two years of practice under the renewable license in a medically underserved area or health professional shortage area, the physician is eligible to apply for a full, unrestricted license to practice medicine.
- ✓ The law specifies that eligibility for such licenses is conditional upon an applicant demonstrating certain educational and experiential qualifications to the Board and obtaining employment with a medical care facility that provides an assessment and evaluation program for physicians licensed in a foreign country.
- ✓ Notify human resources and medical staff and credentialing departments of the expanded ability of foreign trained physicians to obtain a provisional license to practice in Virginia.





**INSURANCE:**  
*Health Plan and  
Carrier Business  
Practices*

**Fair Business Practices Act  
HB 123 (Sullivan)/SB 425 (Favola)**

- ✓ Makes various changes to requirements to the Fair Business Practices Act governing the business practices of health carriers in the processing and payment of claims.
  - Changes clean claim definition so it is more objective and easily interpreted by providers;
  - Requires additional documentation requests and contract documents be exchanged electronically;
  - Establishes a reasonable and consistent time limit for retroactive denial of claims and withholding or offsetting retractions;
  - Requires carriers to make available to providers whether a member's health plan is fully insured or self-insured;
  - Makes explicit that payment timeliness requirements and related interest provisions apply to payments owed following an overturn of a claim denial following appeal;
  - Requires that carriers and providers confer before submitting complaints to the BOI, unless carrier non-responsive.

**INSURANCE:**  
*Health Plan and  
Carrier Business  
Practices*



## Fair Business Practices Act (cont.)

- ✓ Notify claims and revenue cycle departments of the changes to the carrier requirements on supplementation requests.
- ✓ Monitor and track carrier claims pending and denial activity and raise instances of non-compliance with the clean claim definition with the carrier, and the Bureau of Insurance if needed.
- ✓ Understand and prepare for the new requirements on electronic notifications of contract-related and claims-related communications with carriers. Coordinate with your IT departments to establish the needed file transfer protocols, system security validations, and other steps needed to meet the new requirements taking effect July 1, 2025, and January 1, 2026, as applicable.

**INSURANCE:**  
*Health Plan and  
Carrier Business  
Practices*

**Continuity of Care  
HB 218 (Orrock)**

- ✓ Changes existing continuity of care provisions to require a provider to continue to render health care services to any of a carrier's enrollees who have an existing provider-patient relationship with the provider for the time periods specified in the law.
- ✓ The legislation defines "existing provider-patient relationship" as the provider has rendered health care services to the enrollee or admitted or discharged the enrollee in the previous 12 months and specifies that nothing in the law prohibits a provider from discontinuing services to an enrollee at any time due to misconduct, a refusal to follow the provider's policies and procedures, or on any other reasonable basis, so long as not solely on the basis that the provider was terminated from the carrier's provider panel.
- ✓ Understand the new mandatory requirements for continuity of care following termination of a carrier contract. Update policies and procedures accordingly. Understand the situations in which the provider does not have to provide a full 90 days of continuing care.



**INSURANCE:**  
*Health Plan and  
Carrier Business  
Practices*

## **Prior Authorization for Drug Benefits HB 1134 (Willett)/SB 98 (Favola)**

- ✓ Requires carriers to include in provider contracts provisions that prohibit a carrier from any action to revoke, limit, condition, modify, or restrict approval of a prior authorization request for prescription drugs that have been scheduled, provided, or delivered to the patient consistent with the authorization unless:
  - Authorization was obtained based on fraud or misrepresentation;
  - FDA, other regulatory agencies, or the manufacturer remove the drug from the market, limit its use in a manner that affects the authorization, or communicate a patient safety issue that would affect the authorization;
  - Combination of drugs prescribed would cause a drug interaction; or;
  - A generic or biosimilar is added to the prescription drug formulary.
- ✓ Notify appropriate clinical and administrative staff of the changes to carrier business practices and evaluate the need for any necessary changes to applicable policies and procedures for retroactive changes to prior authorization requests to ensure provider and carrier compliance.



## Prescription Drug Labeling HB 516 (Hope)

### PRESCRIPTION DRUG LABELING



- ✓ Requires pharmacies to notify any person receiving a prescription drug that an accessible prescription label is available upon request at no cost and to provide to individuals who are blind, visually impaired, or otherwise print disabled accessible prescription labels that meet specified accessibility requirements.
- ✓ Delayed Effective Date: requires the Board of Pharmacy to promulgate regulations implementing the provisions of the law no later than April 1, 2025.
- ✓ Notify pharmacy directors and relevant staff that the Board of Pharmacy will be promulgating regulations relevant to accessible prescription labels and that compliance will be required sometime after April 1, 2025.

# THE BUDGET



## 2024 BUDGET UPDATE

- The General Assembly approved a biennial budget for SFY 25 and SFY 26. Democratic leaders praised the budget and emphasized significant investments in public education, funding to support an increase in the state's minimum wage, a 3% salary increase for state employees, and a requirement directing the Governor to reenter the Regional Greenhouse Gas Initiative.
- Republican leaders voiced dissatisfaction with substantial tax hikes and the absence of tax relief, leading to a \$2 billion increase for Virginia taxpayers.
- Governor Youngkin characterized the budget as “backward” and expressed frustration with budget leaders for dismissing the chance to attract the Washington Wizards and Washington Capitals to Northern Virginia. The Governor's team estimates that Virginia would have experienced a \$12 billion economic impact had this opportunity been seized.
- The General Assembly rejected ALL of the Governor’s amendments to HB 30 and HB 29, setting the stage for a budget impasse and special budget session to begin on May 13, 2024.
- As expected, on May 13th, the General Assembly adopted a new biennial budget.
- The compromise budget closely mirrors the conference report previously submitted to the Governor, maintaining all expenditure components, with two key exceptions: it includes no new taxes and omits the requirement for Virginia to rejoin the Regional Greenhouse Gas Initiative (RGGI).

## WORKFORCE BUDGET OUTCOMES

- ✓ \$8 million over the biennium to continue the Earn to Learn Nursing Education Acceleration program.
- ✓ \$14.7 million over the biennium for Virginia's Behavioral Health Loan Repayment Program. Expands the program to:
  - ✓ add child and adolescent psychiatry Fellows to the list of Tier 1 providers eligible for the program;
  - ✓ add Tier III providers who are mental health professionals who do not already qualify for the program and
  - ✓ add academic medical centers as a preferred practice site.
- ✓ \$1 million over the biennium to add 10 GME residency slots for OB/GYN services.
- ✓ \$7 million over the biennium for the Nursing Preceptor Incentive Program.
- ✓ \$3.8 million over the biennium for nursing scholarships, loan repayment, and incentive programs to recruit and retain nurses and nurse faculty.

**From this allocation, \$70,000 over the biennium is allotted for the Nurse Loan Repayment Program to provide loan repayments for certified nurse aides. The total loan repayment allowed per certified nurse aide is limited to \$1,000.**



## BEHAVIORAL HEALTH BUDGET OUTCOMES

- ✓ \$25 million over the biennium to expand and modernize the comprehensive crisis services system - including CRCs, CSUs, and enhancements to existing sites.
- ✓ \$9.4 million over the biennium to expand alternative transportation and custody program to individuals under a TDO.
- ✓ \$10 million in SFY 25 for one-time costs to establish additional mobile crisis services in underserved areas. This is a continuation of funding that was approved in September 2023.
- ✓ \$30.5 million over the biennium to combat the opioid epidemic in the Commonwealth, including:
  - \$400,000 in SFY 25 to establish a one-year demonstration project to implement testing for analyzing fentanyl and norfentanyl in wastewater in up to three geographically diverse localities.
  - \$11 million for the Virginia Department of Health to purchase opioid reversal agents and test kits.
  - \$100,000 to equip public schools with naloxone to combat the deadly opioid epidemic.
- ✓ \$13.2 million over the biennium to fund STEP-VA.
- ✓ \$6 million over the biennium (in addition to the \$30 million included in the introduced budget) from the general fund to expand permanent supportive housing for individuals with serious mental illness.
- ✓ The budget includes several additional reporting requirements, most notably related to STEP- VA, CSB workforce, and performance.

## MISCELLANEOUS BUDGET OUTCOMES

### Medicaid:

The General Assembly took steps to address growing Medicaid rolls and a higher-than-expected Medicaid forecast. In addition, Medicaid expenditures face potential upward increases as the agency completes its process to rebase hospital rates later this year. As a precautionary measure, the budget sets aside \$95 million in reserves to guard against an unexpected increase in Medicaid expenditures.

The budget also includes \$4.8 million over the biennium to increase reimbursement rates for Durable Medical Equipment.

### Caboose Budget (HB 29):

Amendments to the SFY 23/24 biennium budget included the following adjustments:

#### Emergency Medical Services:

The budget allocates \$12.5 million in SFY 24 to backfill a shortfall in emergency medical services by eliminating the transfer of a portion of the \$ 6.25-for-life funds to the general fund. **The Trauma Fund is expected to receive \$2.3 million from this action.**

## COMING UP!



### POLICY

- ❖ 340B
- ❖ COPN
- ❖ Medical Malpractice
- ❖ Behavioral Health
- ❖ Rural Health
- ❖ Maternal Health
- ❖ Labor Issues
- ❖ Workplace Safety
- ❖ Forensic Nursing



### POLITICS

- ❖ **NO State Elections! BUT...**
- ❖ U.S. House of Representatives Elections
- ❖ Senator Kaine's Re-Election
- ❖ 2024 Presidential Race
- ❖ 2025 Statewide (Gov, LG, AG) and all 100 members of the House of Delegates are up for election.



QUESTIONS?

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**Save the Date!**

**2024 VIRGINIA HOSPITAL & HEALTHCARE  
CONFERENCE**

**November 6-8, 2024 ~ Hot Springs, VA**

