

2018 State and Federal Healthcare Legislative Landscape

30th Annual UT Health Law Conference

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Overview

Federal Landscape

- Repeal and Replace
- Tax Bill
- BBA of 2018
- Things to Watch

Texas Landscape

- Medicaid Budget
- 1115 Medicaid Waiver
- HHSC Initiatives - Value-Based Care
- House and Senate Interim Charges
- What's Next

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Repeal and Replace:

Block Grants or Per Capita Spending Caps

Key Considerations for Providers:

- A funding baseline that is related to the demand for services and ensured adequate reimbursement for providers
- Protections for states with large low-income populations
- Funding allocations that accounts for supplemental payments and associated method of finance, including local government contributions
- Financial protections for states in the event of an economic downturn



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FY 2018 Omnibus Bill (H.R. 1625: Consolidated Appropriations Act, 2018)

- Includes \$88.1 billion for HHS programs (\$10.1 billion increase from FY 2017); funds discretionary programs through September 2018.
- Targets investments in opioid abuse reduction, medical research, biodefense, public health and job growth activities , but ***DOES NOT*** include funding to stabilize the ACA individual insurance marketplace.

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FY 2018 Omnibus Bill Highlights:

- \$182 million to reduce Medicare Appeals backlog
- \$334 million for AHRQ, a \$10 million (3%) increase over FY 2017 level
- \$135 million increase for **rural healthcare programs** (\$100 million for drug addiction treatment and prevention)
- \$52 million for rural telehealth and distance learning grants
- \$135 million increase for community health centers – to expand addiction prevention and treatment services
- \$15 million increase for Children’s Hospitals GME
- Nearly \$1 billion for mental health programs authorized in 21st Century Cures

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Bipartisan Budget Act of 2018 (BBA of 2018) General Healthcare provisions

- ▶ **Medicare extenders:** Continues patches or reverses reductions for numerous Medicare benefits (e.g., therapy caps, low volume adjustments, ambulance add-on payments, etc.)
- ▶ **Other Medicare policies:** Part B provisions, chronic care, expansion of telehealth, repeal of IPAB, Medicare Advantage reforms, ACOs, accelerate the closure of the Part D “donut hole.”

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