



## 2020 LEGISLATURE: IMA STATUS REPORT

Week of January 6 – January 10, 2020

### Important Updates:

#### State of the State Kicks Off 2020 Legislative Session



Gov. Brad Little gave his second State of the State address on Monday, Jan. 6, the first day of the 2020 Idaho legislative session. You can read the entire speech and budget address [HERE](#). The main theme from the speech can be summed up in one word: frugality.

To set the stage for the upcoming legislative session, it is important to understand how the budget affects nearly every decision that will be made in the next three months.

Throughout his political career, Brad Little has always been a saver rather than a spender. As soon as he was elected governor, he told his agency directors to start cutting both regulations and budgets. He made it clear that he will work to make good on his election promises of smaller government for Idaho.

In addition to Gov. Little's directive to state agencies to cut budgets, Idaho's revenue growth was lower than projected. The state was anticipating 7% revenue growth, but that projection was reduced to 5.2% halfway through the year. As a result, the governor instructed agencies to cut 1% from their Fiscal Year (FY) 2021 budget requests and prepare to cut 2% for FY 2022. However, he made two key exceptions to this directive: K-12 education spending, and – importantly to the IMA – residency expansion funding requests are not subject to these cuts.

It is against this backdrop that your lobby team will work to achieve the goals set for us by the IMA House of Delegates, the IMA Board of Trustees and IMA members.



## 2020 IMA Legislative Priorities:

**Graduate Medical Education:** The 2020 Legislature will consider funding for Year Three of the State Board of Education's 10-Year Strategic Plan for GME Expansion. The governor said in his State of the State speech that he is seeking legislative approval for the build-out of 25 new residency slots in Idaho. The price tag for this request is \$1.5M, which is a reduced funding request compared to previous years in recognition that state revenues are coming in lower than forecasted.

Given the lowered budget projections and Gov. Little's focus on spending cuts, we are very pleased with his recognition that residency expansion is critical to Idaho. IMA has put expansion of medical training programs at the top of our priority list for many years because Idaho is at the bottom of nearly every national measure on adequate physician workforce. Residency programs are the best means to recruit physicians to practice in Idaho because there is a high correlation between residency location and eventual practice site.

**Implementation of Medicaid Expansion:** As expected, Gov. Little proposes funding Medicaid expansion with no new state general funds. Idaho must cover \$40M (or 10%) of the cost of expansion, the federal government covers 90%. To cover the first-year costs of expansion implementation, the governor recommends using a combination of state budget offsets of nearly \$20M, \$12.5M from the Millennium Fund, and \$8.5M from county budget savings.

Those who qualified and enrolled in expanded Medicaid started receiving coverage as of Jan. 1, 2020. Estimates show over 90,000 people qualify for Medicaid expansion, but only around 56,000 are currently enrolled.

**Opioid Abuse Prevention:** Idaho will receive \$30M in federal grant dollars to continue efforts to fight the opioid epidemic. In addition to bolstering the Idaho Health Data Exchange, a portion of that money will be spent to enhance the Board of Pharmacy's Prescription Monitoring Program (PMP), including funding support to physician practices to implement technology that integrates the PMP into their EHRs. This interface allows a physician to instantly check a patient's PMP profile within their EHR without a separate login for the PMP. Across the country and in Idaho, integration of PMP records into EHRs has proven to be very effective in improving PMP usage rates, which in turn has reduced opioid prescribing.

IMA has participated in a large workgroup in the Idaho Office of Drug Policy for the past five years. IMA believes that any policies the state adopts to prevent opioid abuse should not create onerous mandates or inappropriate limitations on physician practice that negatively impacts patient care or access. IMA also works to ensure that no policies are adopted that inadvertently create additional liability for physicians. While we support efforts to limit inappropriate opioid prescribing, it is important to retain physician autonomy in patient care.

**Surprise Billing:** Congress has not yet found a solution to the problem of surprise billing (or, more accurately, a surprise lack of insurance coverage). Idaho's insurers are bringing their own surprise billing legislation and it is unfortunately one-sided in favor of their industry. The insurers' legislation, in effect, implements government price controls for physician services.

As you know, insurance companies in Idaho and across the country are creating increasingly more narrow networks of physicians and other providers to save money. Some physicians may choose not to join networks due to unfavorable contract terms, and some physicians want to join networks but are prevented from doing so because Idaho's Any Willing Provider statute does not apply to networks.

The issue becomes further complicated when networks contract with hospitals, but not the physicians who provide services at those facilities. Patients are caught in the middle when networks don't have processes in place to appropriately reimburse out of network (OON) physicians for the care already provided. When this happens, patients experience a surprise gap in their insurance coverage and may receive an unanticipated medical bill.

IMA wants to keep patients out of the middle of disputes between physicians and insurance companies. Health plans should honor their commitments to provide coverage for patients and establish a mechanism for providing reasonable reimbursement to OON physicians so that patients are held harmless for amounts owed over and above copays and deductibles. IMA supports baseball-style arbitration as a mechanism to assist physicians and insurers in reaching agreements on appropriate payment for services.

You will be hearing more from us on this issue and we will be asking you to contact your legislators to ask for a more fair and balanced process to resolve disputes. Legislation implementing government price controls for physician services will hurt patients in rural areas who will suffer reduced access to hospital care and will disproportionately harm physicians in independent practice.

## **Changes to IMA's Legislative Reports**

As always, the IMA will publish weekly legislative reports during the session. This year our weekly reports will focus on IMA priority issues with in-depth analysis of those bills. In addition, there will be a separate bill tracker on the IMA website listing all the legislation IMA is monitoring with status updates, we will update this list weekly. Starting Jan. 17, we will send you a link to the online bill tracker in every weekly report so you can watch healthcare-related bills move through the legislative process.

If you have questions or concerns about any of the issues discussed in our reports, please contact us. We are always happy to provide context, additional information, or background on how IMA legislative policies are developed. We are also happy to help you contact your legislators about issues that matter most to you.

If you would like to update your email address or subscribe an email to receive these reports, please send your information to [membership@idmed.org](mailto:membership@idmed.org) or call us at (208) 344-7888. For more frequent legislative updates, follow the IMA on [Facebook](#) or [Twitter](#)!

## **Support IMPAC the IMA's Political Action Committee!**



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The IMA Political Action Committee (IMPAC) Board uses your contributions to support a variety of bi-partisan candidates based on the best interests of Idaho physicians and their patients. The 2020 election year is going to be interesting and, as the voice of medicine in Idaho, it is critical that IMA has the resources to support legislators who will listen to our concerns.

IMPAC needs your contributions now to support the house of medicine in Idaho!

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