



Date: December 13, 2023
To: HPMSNJ Members
From: Christine Stearns, Chief Government Relations Officer
Neil Eicher, Vice President of Policy
Re: Government Relations & Policy Update

**LEGISLATIVE
ACTION**

GOVERNOR MURPHY SIGNS LEGISLATION

Certified Respiratory Therapists – [P.L. 2023, c. 176](#) expands New Jersey’s pathway to licensure for respiratory therapist by aligning its examination requirements with national standards. The National Board of Respiratory Care will now identify the passage of the Certified Respiratory Therapist (CRT) examination to qualify for licensure in New Jersey. Passage of the CRT examination will be recognized alongside the passage of the Registered Respiratory Therapist (RRT) examination. An applicant will be required to pass one of these examinations. Both exams assess candidates in the most current and in-demand clinical skill sets for excellence in respiratory care. *(Updated: December 1, 2023)*

Nurse Staffing Ratios

NJHA continues to fight against any movement on nurse staffing ratio legislation during this lame duck session. [S-304 \(Vitale\)](#) / [A-4536 \(Jimenez\)](#) establishes minimum registered professional nurse staffing standards for hospitals and ambulatory surgery facilities and certain DHS facilities. To date, the legislation has not received a hearing in either the Senate or the Assembly.

On October 8, NJHA President and CEO Cathy Bennett called on elected officials to partner with hospital leaders on workforce issues including an expanded pipeline of workers in an [op-ed published in The Star-Ledger](#). Bennett describes the dual impact of a projected 900,000 nurses leaving the field in the aftermath of the pandemic and the shortfall in nursing school enrollment that is further complicated by a lack of faculty. She also calls for investments in nursing loan forgiveness, education expansion and recruiting a more diverse workforce to ensure continued access to the quality care New Jerseyans demand and deserve. *(Updated December 1, 2023)*

**ADMINISTRATIVE
REGULATORY
ACTION**

REFERENCE-BASED PRICING

The State Health Benefits Program (SHBP) Plan Design Committee (PDC) Commission is actively considering a reference-based pricing (RBP) pilot program. Beginning in August the PDC signaled its interest in creating a pilot program. However, adoption of a formal

resolution has been delayed as labor and management work to reach a consensus. The possible vote was scheduled for November 15, 2023; however, no vote was taken at this meeting.

On September 20, Cathy Bennett sent a letter to the members of the Plan Design Committee outlining the industry's serious concerns with the proposal.

NJHA believes that reference-based pricing puts patients at financial risk, creates barriers to equitable access to care and achieves savings for employers by shifting costs to patients. NJHA has effectively amplified these messages using targeted paid social media. *(Updated: November 17, 2023)*

DOH Hospital Financial Transparency Rule Readopted

The Department of Health has [readopted](#) the Hospital Financial Transparency Rule with amendments, N.J.A.C. 8:96. NJHA commented on the November 2022 rule proposal raising the concern that the filing deadline differed with the Form 990 deadline. NJHA observed that the timeline for filing the report was impractical because it conflicted with the timeframe hospitals actually filed their Form 990.

As a result of NJHA's advocacy, the Department adjusted the reporting deadline to report on any business transaction a hospital enters into with an interested person during its fiscal year. The report must be submitted by the 11th month following the close of a hospital's fiscal year, and simultaneously posted on the hospital's website. This deadline coincides with the IRS Form 990 filing deadline extension. *(Updated: December 1, 2023)*

DOH to Launch New Hospital Financial Transparency Report

The N.J. Department of Health DOH has announced it will launch a new "Hospital Financial Transparency Report" on its website in early 2024. The information in the report will be drawn from the annual N.J. Acute Care Hospital (ACH) Cost Report filings and updated annually. The report is an initiative of the Murphy Administration intended to make this financial information more easily available to the public.

On November 20, NJHA submitted a second comment letter to the Commissioner of Health. The comment letter reinforces many of the issues raised in NJHA's initial comment letter (redundancy, inconsistency with other available sources, etc.), but also strongly encourages the Department to remove gross patient revenue from the report, to delay publishing the report for one year (into 2025) and to work with the industry more closely, and lastly, recommends that the Department start with data from 2023 and build up the report from there. *(Updated: December 1, 2023)*

Hospital Licensing Standards

NJHA submitted comments to the DOH on the Hospital Licensing Standards (N.J.A.C. 8.43G) on October 6, 2023. The rules are set in to expire next year and the DOH asked NJHA to provide feedback on possible changes. The comments outline suggested changes to the current regulations which may provide operational and financial value or clarity to healthcare facilities throughout the state. *(Updated: November 17, 2023)*

SFY 25 BUDGET DOH AND DHS TO HOST BUDGET LISTENING SESSIONS

The Department of Health hosted budget listening sessions on November 13 and 14. NJHA testified on November 14 to convey the financial struggles facing the hospital industry and recommended fully funding the Charity Care program. On November 29, the New Jersey Department of Human Services hosted a listening session on the SFY 2025 budget. NJHA submitted testimony outlining concerns with a hospital's ability to safely discharge patients who no longer need medical services. *(Updated: December 1, 2023)*

FEDERAL

NJHA FIGHTS AGAINST SITE-NEUTRAL LEGISLATION

The *Lower Costs, More Transparency Act* (H.R. 5378) was scheduled for a vote in September but was pulled from the calendar after several prominent Democratic leaders publicly opposed unrelated provisions. Currently, the chance of movement of the *Lower Costs, More Transparency Act* remains unclear.

NJHA members and staff delivered a clear message to the New Jersey delegation during an advocacy day in October: Any reductions in hospital funding would ultimately hurt patients by threatening their access to care. Implementing site-neutral payment policies would only exacerbate the problem, particularly for hospitals and healthcare systems that support underserved communities. *(Updated: December 1, 2023)*

NJHA Seeking Delay of Medicaid DSH Cuts

NJHA recently sent a letter to the New Jersey delegation asking Congress to address Medicaid disproportionate share hospital (DSH) cuts that were scheduled to take effect on October 1, 2023 (delayed until January 20 under the current CR). The Stopgap spending bill passed ahead of the Thanksgiving recess delayed the cuts until January 20th. Should Congress need to pass another CR ahead of January 20th, it is likely that the stopgap will include another DSH cut delay. A longer-term delay as part of an omnibus spending bill is increasingly likely as well; delaying the DSH cuts currently enjoys bipartisan support in both chambers. *(Updated: December 1, 2023)*

NJHA Supports Bill to Promote Foreign Healthcare Workers

Congress has reintroduced the Healthcare Workers Resilience Act ([H.R. 6205/S. 3211](#)), which recaptures 40,000 unused immigrant visas for doctors and nurses. This is a bipartisan bill sponsored in the House by Reps. Brad Schneider (D-IL) and Don Bacon (R-NE) and in the Senate by Sens. Dick Durbin (D-IL) and Kevin Cramer (R-ND).

Specifically, the bill reserves 25,000 additional visas for physicians and 15,000 additional visas for professional nurses. The visas would not count towards the annual visa limit and would be recaptured from the pool of employment-based visas left unused between 1992 and 2021. The legislation would also direct the Department of Homeland Security and the Department of State to expedite the processing of these applications.

NJHA has drafted a letter of support for GRO feedback expressing the importance of this legislation and supporting foreign healthcare workers to help address the nationwide health workforce shortage. *(Updated: November 17, 2023)*