

# 2024 SD Legislative Update



SDAPIC Quarterly Education  
April 11, 2024

# South Dakota Association of Healthcare Organizations

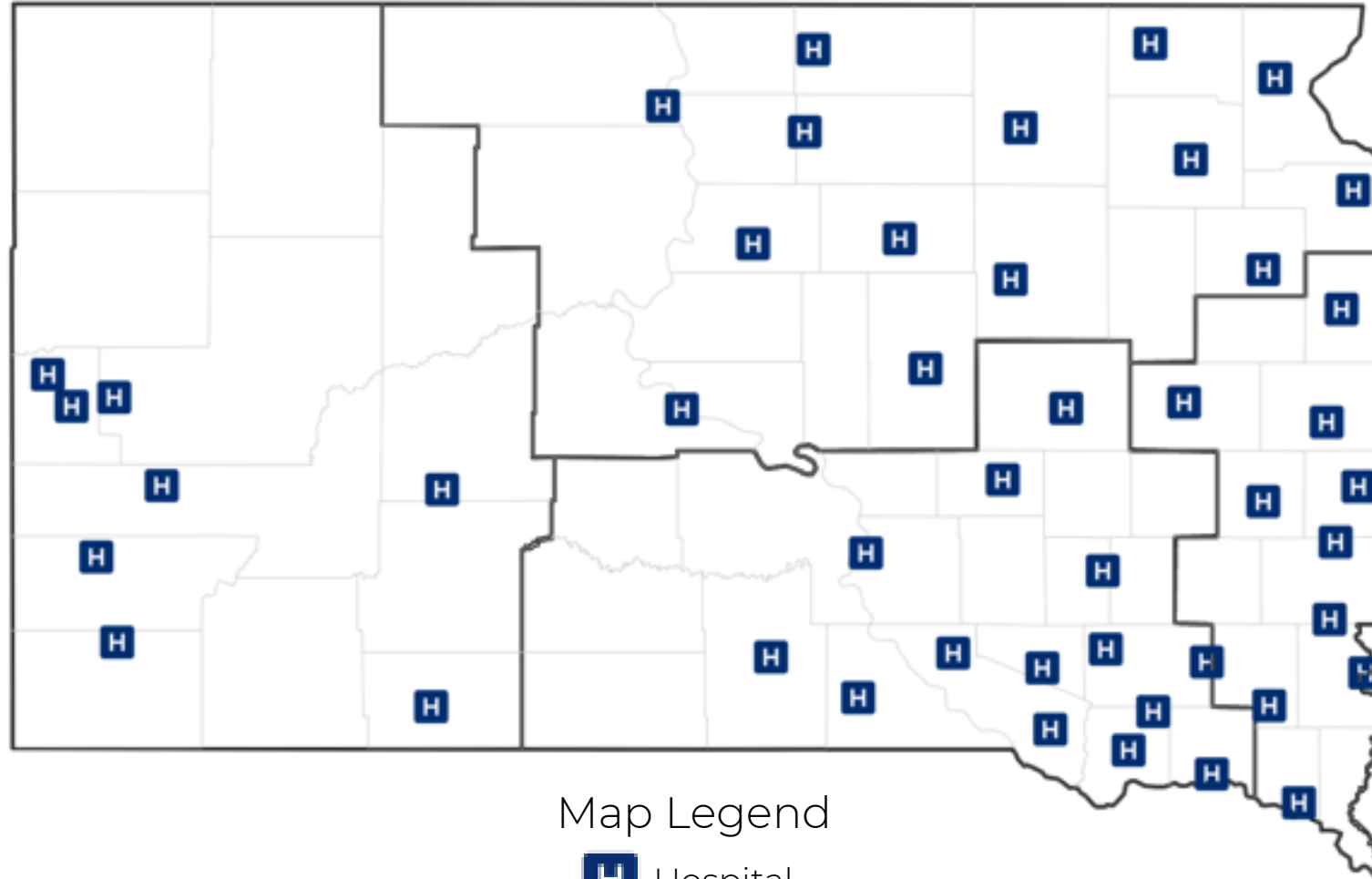
## ▶ Our Mission:

Advancing healthy communities through a unified voice across the health care continuum.

## ▶ Our Vision:

We envision communities throughout South Dakota where everyone reaches their highest potential for health.

# SDAHO Hospitals



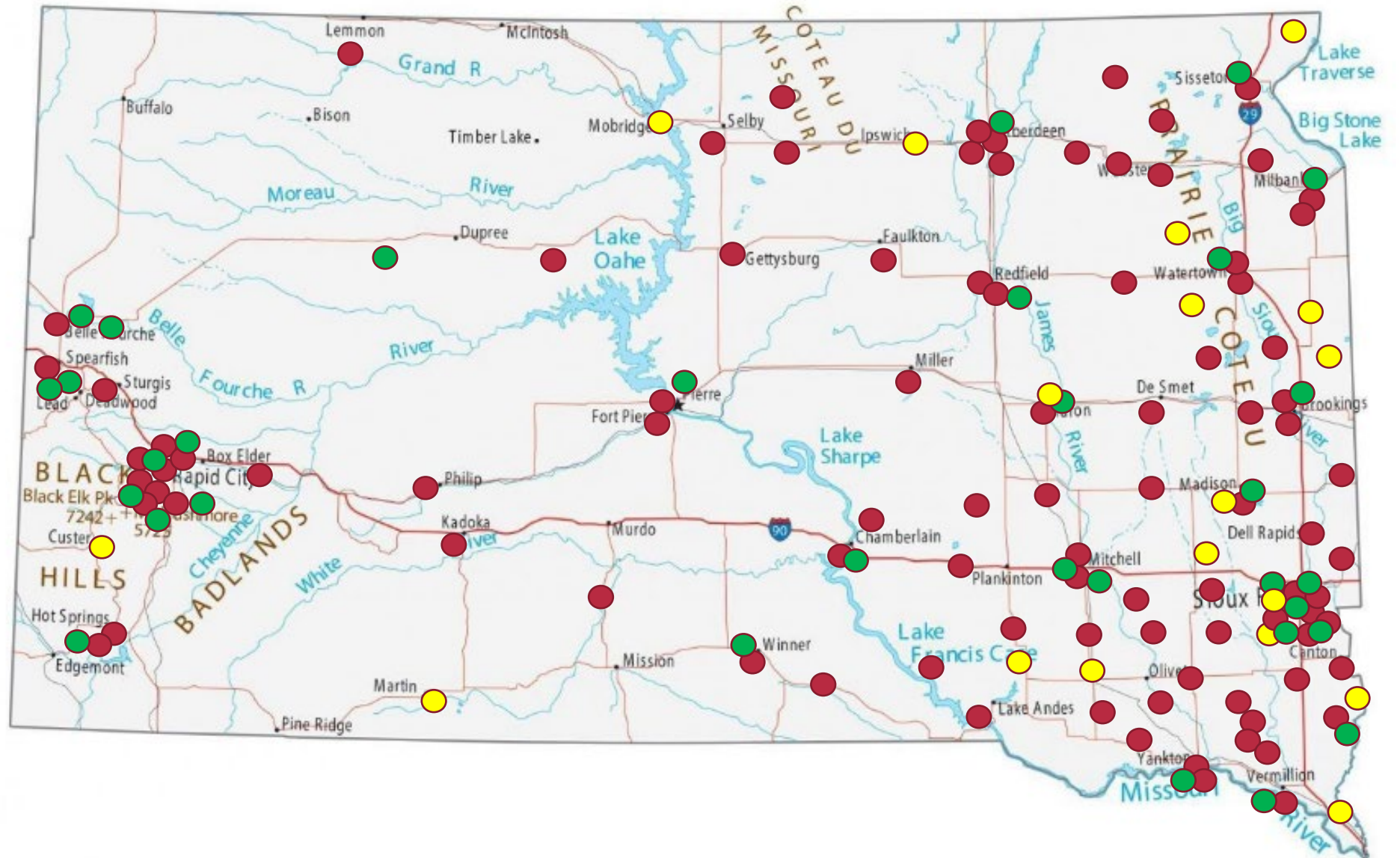
Map Legend

 Hospital

95 SD  
Nursing  
Facilities ●

35 Home  
Health ●

18  
Closures  
(since 2015) ●



# Agenda

- ▶ Legislative Process Overview
- ▶ SDAHO's Advocacy Team and Processes
- ▶ Recap of 2024 Legislative Session for Healthcare
  - ▶ Anti-Healthcare Bills
  - ▶ Healthcare Impact Bills
  - ▶ SDAHO sponsored/promoted bills
  - ▶ Funding
- ▶ Interim and 2024 Elections

# Where Does a Bill Come From?

Only legislators and legislative committees may present or introduce bills to the Legislature. However, ideas for bills come from a multitude of sources.

- Lawmakers
- State Agencies
- Special Interest Groups
- Legislative Committees
- Legislative District Constituents (voters)

## Where Does a Bill Come From?

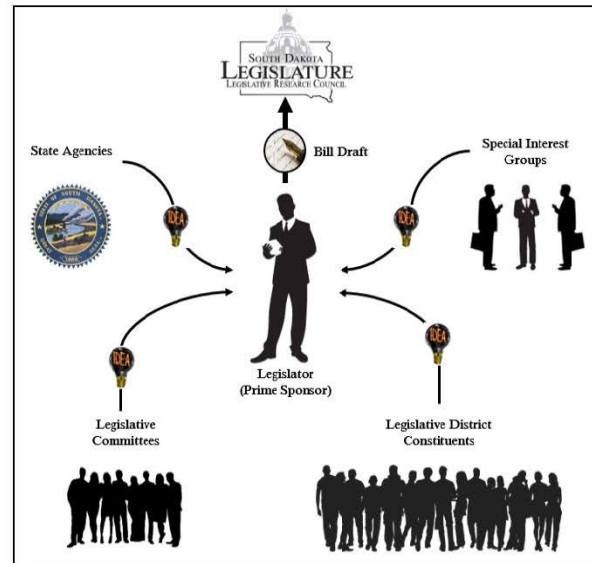


When state legislators are in Pierre for the annual legislative session, the majority of their time is spent discussing ideas for changes in state law. Ideas vary from changing only a word or two of a current law, an entire section of law, getting rid of a current state law, or creating a new law.

All of the ideas, regardless of their size or scope, must be presented to the Legislature in the form of bills. Bills are the proposals recorded on paper in a prescribed format.

Only legislators and legislative committees may present or introduce bills to the Legislature. However, ideas for bills come from a multitude of sources. First, legislators have their own ideas for bills stemming from their expertise in certain fields, experiences they have had, or observations they have made.

Special interest groups are another source of ideas. Members of these groups often ask legislators to sponsor bills promoting their interests.



The legislator who begins to move the bill through the legislative process is known as the prime sponsor. The prime sponsor may introduce the bill independently or seek other legislators to act as co-sponsors of the bill. Senate bills have senators as prime sponsors, and House bills have representatives as prime sponsors. However, members of either house may co-sponsor any bill.



STUDENT  
REFERENCE  
SERIES  
5

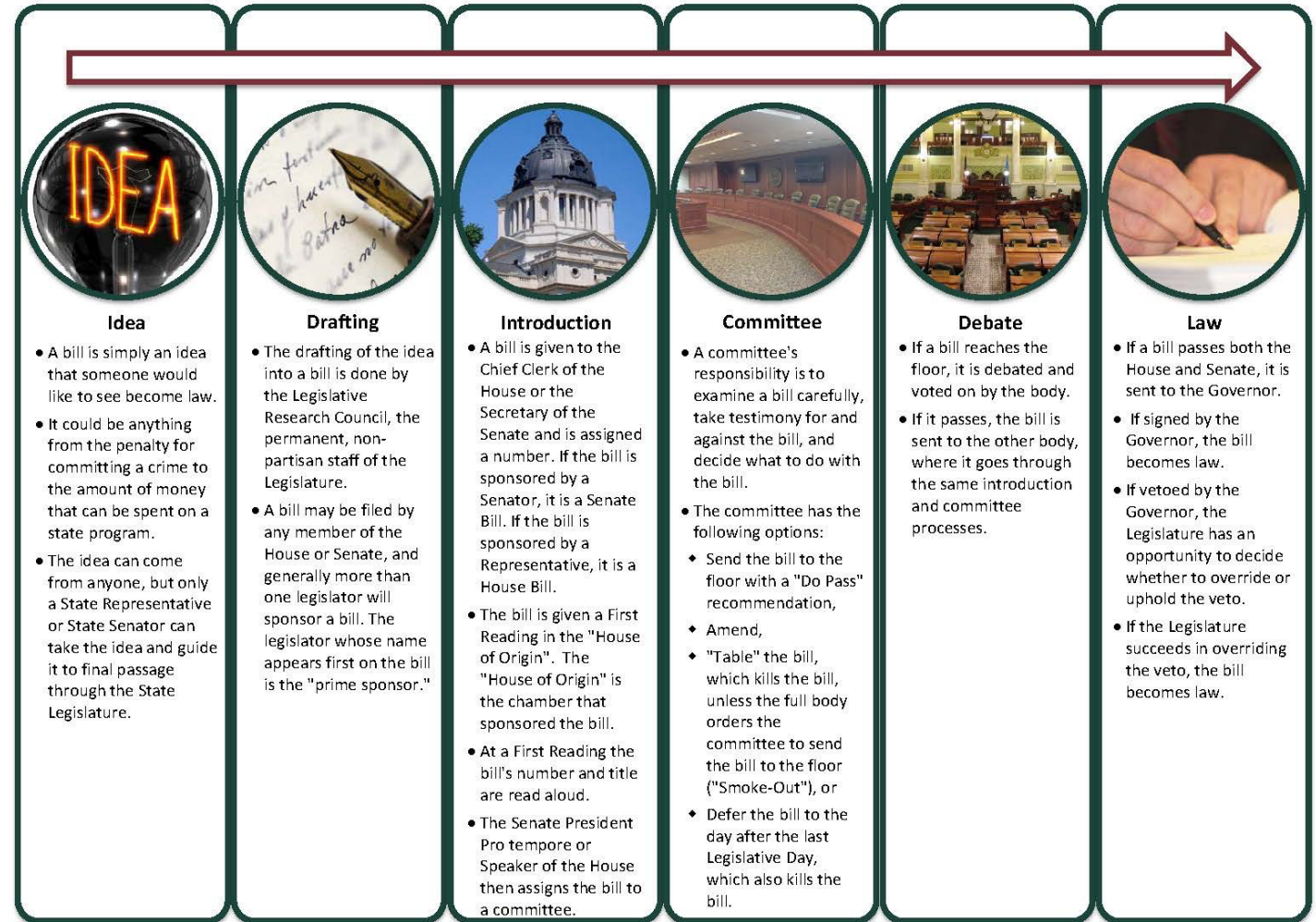


## HOW AN IDEA BECOMES LAW

# How an Idea Becomes a Law

Once it is determined to try to pass an idea (Bill) into a law – these are the steps.

- Idea
- Drafting – Draft Idea into a bill
- Introduction (Senate or House of Representatives) Assigned Committee
- Committee Process
- Floor Debate Process
- Law



# South Dakota Association of Healthcare Organizations Advocacy Team

**Tim Rave, CEO**



**Tammy Hatting, COO**



**Jacob Parsons  
Dir. Of Advocacy and  
Reimbursement**



**Stephanie Rissler  
Marketing and Media  
Relations Manager**



# SDAHO's Legislative Cadence

- ▶ Forums
- ▶ Bill Tracker
- ▶ SDAHO Policy Council
- ▶ System Advocates and Healthcare Lobbyists

# Healthcare Provider Conscience Protections

- ▶ South Dakota healthcare providers are already protected from employment discrimination for refusing to participate in services like abortion or euthanasia for which they have a religious or moral objection.
- ▶ Current laws require healthcare employers to make reasonable accommodations and have stood for more than 50 years.
- ▶ The current process for accommodating provider conscience objections works. Provider complaints for conscience are rare.

## Federal and State Conscience Statutes

- ▶ Title VII of the Civil Rights Act
- ▶ The Church Amendments
- ▶ The Coates-Snowe Amendment
- ▶ The Weldon Amendment
- ▶ Section 1303 and 1553 of the Affordable Care Act
- ▶ 42 USC 1395cc
- ▶ SDCL 36-11-70
- ▶ SDCL 34-23A-13
- ▶ SDCL 34-23A-14
- ▶ SDCL 34-12D-11
- ▶ SDCL 34-12D-12
- ▶ SDCL 34-12D-13
- ▶ SDCL 34-12D-14

# Childhood Vaccination

- ▶ Vaccines have prevented an estimated 103 million cases of childhood diseases since 1924, and nearly 26 million cases in the past decade alone.
- ▶ Mandatory school immunization protect vulnerable individuals who cannot have immunity due to age or medical condition.
- ▶ There is a direct relationship between the ease of obtaining an exemption and the risk of resurgence in vaccine-preventable diseases such as pertussis, measles, mumps, and rubella.





# Legislative Session Review

Policy Bills

# LTC Summer Study

- ▶ SDAHO staff + members participated in the summer study on sustainable models for long term care
- ▶ 5 workgroups: Innovation, Workforce, Infrastructure, Regulatory and HCBS
- ▶ Compacts for APRN, social workers, counselors, and psychologists
- ▶ Regionalization Bill Draft
  - ▶ 2 or more facilities combining within 60-mile radius (previously 30)
  - ▶ Reimbursement for costs through methodology for new build or substantial remodel
- ▶ PACE Program – feasibility study
- ▶ Palliative Care definition

# 2024 Legislative Bills

## Overall

- ▶ 259 House Bills
- ▶ 15 House Resolutions
- ▶ 220 Senate Bills
- ▶ 17 Senate Resolutions
- ▶ 479 Total Bills
- ▶ 32 Total Resolutions

## SDAHO Bill Tracker

- ▶ 88 total bills
- ▶ 50 Monitor
- ▶ 17 Support
- ▶ 9 Oppose
- ▶ 3 Neutral
- ▶ 9 Withdrawn/Tabled Before Policy Council

# Defend against anti-healthcare bills

- ▶ HB1166 – clarify determinations regarding the wearing of facemasks
  - ▶ Deferred to 41<sup>st</sup> day (12-0 House Health)
- ▶ HB1167 – clarify determinations regarding the injection of a COVID-19 Vaccine
  - ▶ Withdrawn by prime sponsor
- ▶ HB1168 – require the dispensing of drugs prescribed for an off-label use during a public health emergency
  - ▶ Deferred to 41<sup>st</sup> day (12-0 House Health)
- ▶ SB100 – prohibit the imposition of additional immunization requirements on children
  - ▶ Deferred to 41<sup>st</sup> day (5-1 Senate Health)
- ▶ SB101 – prohibit the conduct of certain physical examinations or screenings on students in a school district without parental consent
  - ▶ Deferred to 41<sup>st</sup> day (7-0 Senate Health)

# Support good bills

- ▶ 4 Licensure Compact Bills
  - ▶ HB1012 – Counseling
  - ▶ HB1013 – APRN
  - ▶ HB1015 – Social Work
  - ▶ HB1017 – Psychology
- ▶ SB46 – authorize the disclosure of referral status by Department of Human Services Personnel
- ▶ SB136 – expand the scope of a physician wellness program
- ▶ SCR602 – to analyze and report information on the healthcare workforce in South Dakota

# SDAHO “sponsored” bills

- ▶ HB1016 – conduct a feasibility study on the Medicaid program of all-inclusive care for the elderly and make an appropriation therefor
- ▶ HB1097 – authorize transportation activities by air ambulance services
- ▶ HB1147 – address discriminatory acts against entities participating in a 340B drug pricing program
- ▶ SB147 – provide for the distribution of information materials regarding palliative care

# What is PACE?



## Program for All-Inclusive Care for the Elderly

- ▶ A Medicare program and Medicaid state option enabling people 55 or older at a nursing home level of care to live at home and in their communities while receiving needed care and services around the clock
- ▶ 32 States and the District of Columbia Have PACE Programs
- ▶ PACE combines capitated financing from Medicare and Medicaid to flexibly meet each participant's unique care needs delivered through an interdisciplinary team (IDT)
- ▶ Medicaid capitated payments are calculated to be less than what the state would otherwise pay for PACE participants outside of PACE
- ▶ 50+ PACE programs are expected to open in the U.S. in the next 2-5 years
- ▶ **REQUEST** – Approve the feasibility study recommended by the LTC legislative summer study.



# HB1016 – PACE

- ▶ HB1016 would provide for the funding for a feasibility study for PACE in South Dakota
- ▶ Passed House Health 12 – 0
  - ▶ Referred to Joint Committee on Appropriations
- ▶ Tabled by Joint Committee on Appropriations 16-0
  - ▶ Agreement with Department of Human Services

# HB1097 - Air Ambulance

- ▶ Looked to resolve the following patient transfer issues that sometimes aren't done in a timely fashion
  - ▶ Weather or maintenance prohibits the flight
  - ▶ Getting patient to the appropriate level of care
  - ▶ Transfers in metropolitan areas
- ▶ Amended down to just weather or maintenance
- ▶ Passed House 57-11
- ▶ Passed Senate 28-5
- ▶ Signed by Governor February 21<sup>st</sup>

# Pharmacy Benefit Managers

- ▶ Pharmacy Benefit Managers (PBMs) are companies that manage prescription drug benefits on behalf of health insurers, Medicare Part D drug plans, large employers, and other payers
- ▶ HB 1137, passed in 2019, included language to prevent PBMs from discriminating against a pharmacy participating in the 340B program
  - ▶ Section 340B of the Public Health Services Act allows organizations that serve uninsured and low-income patients to receive discounted prices on outpatient drugs
- ▶ PBMs discriminate against pharmacies participating in 340B by reducing drug reimbursements to those pharmacies to pad their bottom line
- ▶ This practice undermines patient care supported by the 340B program and shifts revenue losses to the pharmacies and providers
  - ▶ SD hospitals and providers use these savings to support services such as statewide cancer care, access to care in rural communities, rural OB services, and more

# What does HB1147 do?

- ▶ **Section 1** – Empower the SD Division of Insurance to suspend or revoke the license/registration of a PBM if it is found they have discriminated against a 340B entity or violate the Unfair Trade Practice Act found in section 6.
- ▶ **Section 2** – Updating Definitions to apply to the new substantive provisions found in Section 4.
- ▶ **Section 3** – Amend existing civil enforcement chapter to permit payors, 340B entity, or pharmacy to enforce the chapter and seek civil damages.
- ▶ **Section 4** – Amend Existing Law Passed in 2019 to Make Clear What Constitutes Discrimination.
- ▶ **Section 5** – Provide civil liability and damages.
- ▶ **Section 6** – Amend Existing Unfair Businesses and Trade Act to Include Violation of a discriminatory act.
- ▶ **Section 7** – Effective Date

# HB 1147

- ▶ Passed House 66-1
- ▶ Passed Senate on Consent Calendar
- ▶ Signed by Governor March 4<sup>th</sup>

# SBI147 - Palliative Care Definition

Palliative care is medical care for people living with a serious illness. This type of care is focused on providing relief from the symptoms and stress of illness with the goal of improving quality of life for both the patient and family. Effective palliative care is delivered by a trained team of doctors, nurses, social workers, chaplains, and other health professionals who collaborate to provide an extra layer of support wherever a person receives care. Based on the needs of the patient, not on prognosis, palliative care is appropriate at any age and any stage of serious illness and may be provided alongside curative treatments in primary and specialty settings.

## Why this is important:

- ▶ Separates palliative care from Hospice
- ▶ Defines scope of practice for palliative care
- ▶ Defines interdisciplinary team
- ▶ Defines practice setting
- ▶ All aspects of care for reimbursement-scope, team, setting
- ▶ Amend State Plan to expand Medicaid waivers to cover home-based palliative care
- ▶ Delay/prevent the need for LTC by increasing home-based services



# Legislative Session Review

Healthcare Funding

# Healthcare Funding Bills

- ▶ **HB1014** – amend the criteria for designation as a regional nursing facility and applicable reimbursement
- ▶ **SB44** – recruitment assistance programs
- ▶ **SB80** – improve technology equipment for providers of elderly care
- ▶ **SB209** – make an appropriation for grants to assisted living centers and nursing facilities for costs related to telemedicine
- ▶ **HB1259** – appropriate money for the ordinary expenses of the legislative, judicial, and executive departments of the State...
  - ▶ General Bill

# Nursing Home Regionalization

- ▶ 2021 session introduced the idea
  - ▶ 2+ nursing homes merge
  - ▶ Within 30 miles
  - ▶ \$1M for planning and old facility
- ▶ HB1014
  - ▶ 2+ nursing homes merge
  - ▶ Within 60 miles
    - ▶ Lemmon carve out
  - ▶ Enhanced capital reimbursement through methodology
- ▶ Deferred to the 41<sup>st</sup> day (House Appropriations 7-2)

# Healthcare Recruitment Assistance Programs

- ▶ Recruitment Assistance for Healthcare Professionals
  - ▶ The Recruitment Assistance Program provides qualifying physicians, dentists, physician assistants, nurse practitioners or nurse midwives an incentive payment in return for three continuous years of practice in an eligible rural community.
  - ▶ The Rural Healthcare Facility Recruitment Assistance program provides an incentive payment to dietitians, nurses, occupational therapists, respiratory therapists, laboratory technicians, pharmacists, physical therapists, paramedics, medical technologist, speech therapist and social workers who complete a three-year full-time service commitment.
  - ▶ \$700,863 Funded



Fall River Health Services,  
Hot Springs, SD

# Long-term Care Funding Bills

## SB80

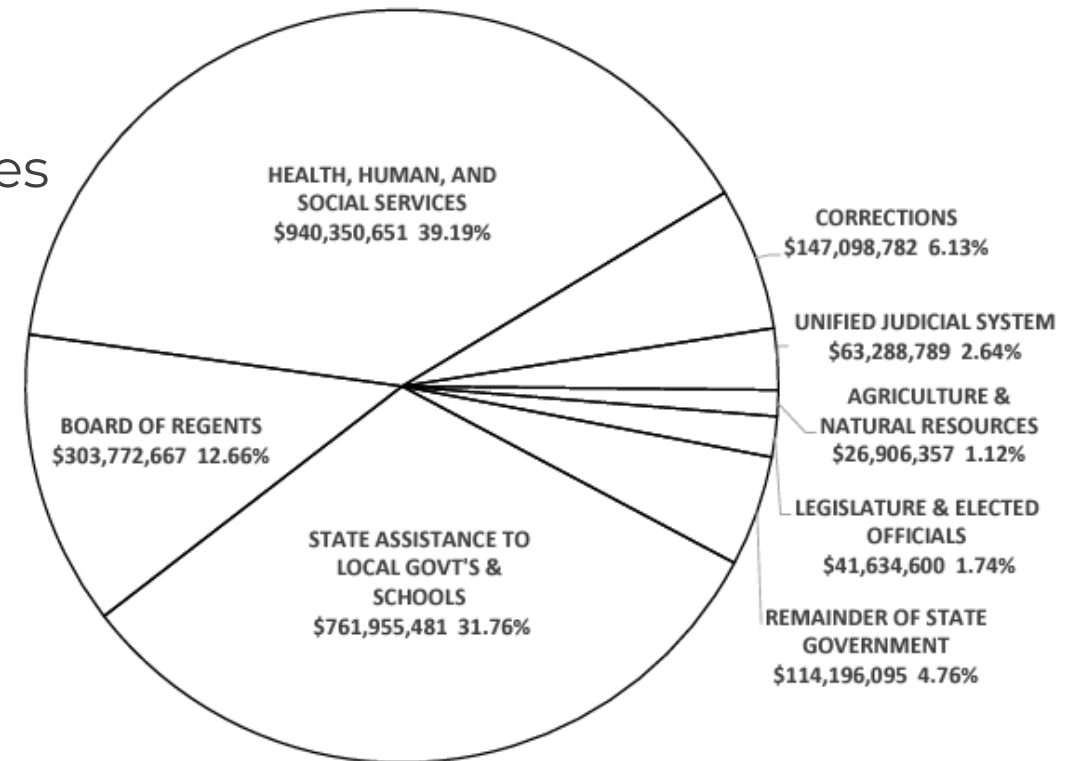
- ▶ \$2M State general funds
- ▶ Any long-term care providers
- ▶ Operational efficiencies
- ▶ Workforce improvements
- ▶ Remote patient monitoring, fall detection, etc.
- ▶ Purposefully broad to allow for innovative ideas

## SB209

- ▶ \$5M ARPA funds
- ▶ Nursing homes and assisted living
- ▶ Setting up telehealth technologies

# Governor Noem's FY 2025 Recommended Budget

- ▶ 4% Inflationary Increase for Medicaid Providers
  - ▶ \$62.6M total funds
  - ▶ No proposal for targeted increases this year
  
- ▶ \$940 million for Health, Human and Social Services
  
- ▶ \$18.3 million ongoing for Medicaid Expansion
  - ▶ \$11.4 million appropriated in 2023
  - ▶ Total ongoing of \$29.7 million in general funds
  - ▶ Total of nearly \$300 million



# Additional Healthcare Funding

- ▶ Funding 98% of methodology for community-based providers (\$13.3M)
  - ▶ \$3M Assisted Living
  - ▶ \$2.9M Behavioral Health
  - ▶ \$1.9M Nursing Homes
  - ▶ \$700K In-Home Services
- ▶ Additional \$2M general funds for Medicaid Expansion
  - ▶ New total: \$31.7M general funds, \$320M total
- ▶ Increased Medicaid personal needs allowance from \$60 to \$100
  - ▶ TV, hair appointments, gifts, etc.

# What's next?

- ▶ Veto Day – Monday, March 25<sup>th</sup>
- ▶ Joint Appropriations – Letters of Intent
- ▶ Interim Committees
- ▶ Summer Studies
- ▶ 2024 Election
- ▶ Getting Involved

# SDAHO Website: [sdaho.org](http://sdaho.org)

## How to Get Involved: Who is my Legislator?

[www.sdaho.org/state-advocacy/](http://www.sdaho.org/state-advocacy/)

### Preparation Tips

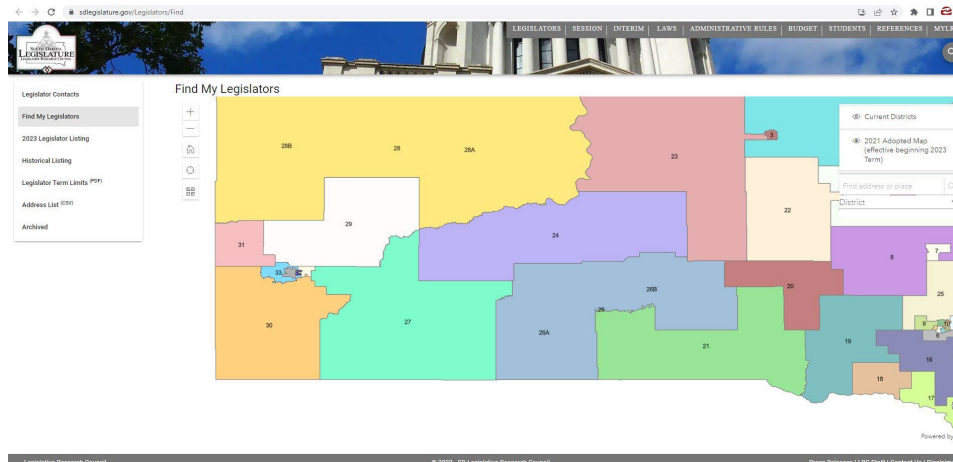
- Research the issue.
- Visit our [Bill Tracker](#) for SDAHO's position and a quick link to the bill.
- Create a personal message that includes your relevant work, professional background, expertise and experiences. Always address the problem in terms of how it impacts healthcare in your community.

### Face-to-Face Contact

- Give your name, home location and organization ([in the legislator's district](#)).
- State the reason for your visit or contact.
- State your position on the issue.
- Tell your story; use supporting data from your facility relevant to the issue.
- State your ask and request their support or action.
- Thank them for their time.
- If you plan on visiting the capitol during the legislative session, let SDAHO know how we can assist you.

### Writing Letters, Email Messages

- Be concise and limit the message to one issue.
- The letter or message should include your name, organization and contact information.
- State your position on the issue.
- Tell your story; use supporting data from your facility relevant to the issue.
- State your ask and request their support or action.
- Personalize your message; legislators get many form letters and you want yours to stand out.



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## SDAHO Website: [sdaho.org](https://sdaho.org)

- ▶ Federal and State Advocacy Priorities
- ▶ South Dakota District Maps and Stats
- ▶ SDAHO South Dakota Bill Tracker
- ▶ Briefings and Other Resource Guides

## Key Contacts:

- ▶ Tim Rave, CEO [tim.rave@sdaho.org](mailto:tim.rave@sdaho.org)
- ▶ Tammy Hatting, COO  
[tammy.hatting@sdaho.org](mailto:tammy.hatting@sdaho.org)
- ▶ Stephanie Rissler, Communications  
Manager [stephanie.rissler@sdaho.org](mailto:stephanie.rissler@sdaho.org)
- ▶ Jacob Parsons, Director of Fiscal Policy  
[jacob.parsons@sdaho.org](mailto:jacob.parsons@sdaho.org)

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