
LEGISLATIVE UPDATE

June 15, 2020

Liz Lyons, Director of Advocacy and Government Affairs ext. 4139

FEDERAL

Congress

Last week, the Department of Health and Human Services (HHS) [announced](#) the methodology used to distribute funds to hospitals serving high numbers of Medicaid beneficiaries and uninsured patients. The department [stated](#) that these hospitals would be recipients of an additional \$10 billion in funds from the Public Health and Social Services Emergency Fund:

- Acute-care hospitals are eligible if they meet all of the following criteria:
 - a Medicare Disproportionate Patient Percentage (DPP) of 20.2% or greater;
 - annual uncompensated care of at least \$25,000 per bed; and
 - a net operating margin of 3% or less.
- Children's hospitals are eligible if they meet all of the following criteria:
 - a Medicare DPP of 20.2% or greater; and
 - a net operating margin of 3% or less.

As it appears today, all relief funds for providers have been allocated based on Medicare volume, excluding children's hospitals who have significant Medicaid Disproportionate Share Hospital (DSH) percentages. While all, if not most, children's hospitals will not see funding this week, some pediatricians and smaller practice groups that were excluded from previous rounds of funding may see a payment in this tranche.

Children's is working closely with the Children's Hospital Association (CHA) to review the details of this tranche and to build momentum on a collective solution to ensure independent children's hospitals see at least \$10 billion of the remaining \$60 billion in the CARES Act.

Hearings this week:

- House Committee on Education and Labor [hearing](#)- "Budget Cuts and Lost Learning: Assessing the Impact of COVID-19 on Public Education." Monday, June 15 at 11am (CST).
- Senate Health, Education, Labor and Pensions (HELP) Committee [hearing](#)- "Telehealth: Lessons on the COVID-19 Pandemic." Wednesday, June 17 at 9:00am (CST).
- House Energy & Commerce (E&C) Committee [hearing](#)- "Health Care Inequality: Confronting Racial and Ethnic Disparities in COVID-19 and the Health Care System." Wednesday, June 17 at 10:30am (CST).
- Senate Committee on Foreign Relations [hearing](#)- "COVID-19 and U.S. International Pandemic Preparedness, Prevention and Response." Thursday, June 18 at 8:30am (CST).
- House Ways & Means Committee [hearing](#)- "Tax Relief to Support Workers and Families during the COVID-19 Recession." Thursday, June 18 at 11am (CST).
- House Committee on Science, Space and Technology [hearing](#)- "Repurposing Therapeutic Drugs for COVID-19: Research Challenges and Opportunities." Friday, June 19 at 12:30pm (CST).

STATE

Nebraska Legislature

Announced Monday, June 15 at his daily press conference, Governor Pete Ricketts (R-NE) announced he will further loosen restrictions in most Nebraska counties next Monday, June 22. On that date, 89 of the state's 93 counties, including Douglas, Sarpy and Lancaster Counties, will move to Phase 3.

New guidance includes:

- No further restrictions on elective surgeries;
- Child care capacity is expanded;
- Restaurants and bars are eligible to serve at full capacity;
- Fan attendance for youth games can be expanded beyond immediate family members;
- Attendance at indoor events, including wedding and funeral receptions, will expand to 50% of capacity.
- Attendance at outdoor venues can go to 75% of capacity, with a cap of 10,000 people.

The health of the Nebraska's General Fund has always been of great importance to Children's as we rely on a strong and well funded relationship with multiple state agencies- i.e. the Department of Health and Human Services (DHHS), Nebraska Medicaid and Long Term Care, and Nebraska Department of Education (NDE), to name a few.

On Monday, Tax Commissioner Tony Fulton reports that gross General Fund receipts for May were \$519 million, which is 1.2% below the certified forecast of \$526 million. While the numbers are below the benchmark set by the Nebraska Economic Forecasting Advisory Board, the result is much more positive than the report from April where we as a state fell 41% below the forecast- a difference of nearly \$300 million.

When lawmakers reconvene late-July, they will have a clearer indication of the impact COVID-19 had on the state, which will ultimately lead to tough budgetary decisions in order to balance the budget.

(Sources: CHA, AHA,, dhhs.ne.gov, Nebraska.gov, Peetz & Co. OWH, LJS)