Legislative Day 9

Returning to the House and Senate chambers for the first time since January 16, legislators were back to business this week following last week's budget hearings.

With presentations on Governor Kemp's proposed Amended FY20 and FY21 spending plans to the Joint House and Senate Appropriations Committee complete, House Appropriations Subcommittees began their own meetings to conduct deep dives into the propositions.

Budget Week Recap

As the Joint House and Senate Appropriations Committee convened for their first of three days of hearings, Governor Kemp opened testimony by calling for continued conservatism in budgeting and highlighting the innovative ways that State agencies rose to his call for budget reductions last year.

Department of Community Health
Commissioner Frank Berry began his presentation by thanking legislators, agency staff, and the Governor's Office for their work. He then called upon the Department's CFO, Lisa Walker, to walk lawmakers through important budget changes.

- Originally budgeted $15,649,092,261 ($3,572,602,642 in State Funds) in FY 2020, the Amended FY 2020 proposal includes changes totaling $9,714,021 (cuts $12,715,641 in State Funds) for DCH.
- The FY 2021 proposal calls for $16,097,815,832 ($3,799,360,737 in State Funds). The changes from the FY 2020 budget are more than $448 million more in total funds.

Click here to see the DCH Budget Presentation

Department of Behavioral Health and Developmental Disabilities Commissioner Judy Fitzgerald gave an update on a Department faced with potentially the toughest of budget scenarios. She explained that much of the agency's budget was not exempt from the Governor's directives and there were some unavoidable cuts to services.

- Originally budgeted $1,408,568,597 ($1,230,810,591 in State Funds) in FY20, the Amended FY 2020 proposal includes cuts totaling $34,428,328 ($33,340,642 in State Funds) for DBHDD.
- The FY 2021 proposal budgets $1,383,176,033 ($1,206,505,713 in State Funds) in spending for DBHDD, a decrease of $25,392,564 ($24,304,878 in State Funds) from the original FY20 spending plan.

To view the Governor's Amended Fiscal Year 2020 Budget and Fiscal Year 2021 Budget, please click here.

Actions of the Week

House Legislation

HB 789 by Rep. Mark Newton, MD, seeks to create a "surprise bill rating system" which is based upon the number of certain physician specialty groups contracted with a hospital within a health insurer's network. It also states insurers would be required to include a hospital's surprise bill ratings online and in print in provider directories. It specifically proposes the definition of the "hospital surprise bill rating" as "the number of stars between zero and four that an in-network hospital has earned based upon the number of qualified hospital-based specialty group types with which such hospital is contracted for the provision of health care services." These qualified hospital-based specialty groups are the in-network medical group of anesthesiologists, pathologists, radiologists, or emergency medicine physicians. **Current Status:** Assigned to the House Special Committee on Access to Quality Health Care

HB 791 by Rep. Ron Stephens seeks to amend and add authorization so that a pharmacist may dispense (exercising his/her professional judgment and in consultation with the patient) up to a 90-day supply of a maintenance medication (unless the prescriber has specified on the prescription that dispensing a maintenance medication in an initial amount followed by periodic refills is medically necessary – this authorization **does not apply to Schedules II, III, IV or V controlled substances**). **Current Status:** Assigned to the House Health and Human Services Committee

HB 799 by Rep. Shaw Blackmon seeks to amend and allow for individuals whose licenses have been suspended for being in control of a moving vehicle under the influence of a controlled substance or marijuana to be eligible for early reinstatement of their license or a limited driving permit. **Current Status:** Assigned to the House Judiciary Non-Civil Committee

HB 810 by Rep. Brett Harrell seeks to allow a tax credit for the employment of qualified parolees by licensees of the Georgia Access to Medical Cannabis Commission. **Current Status:** Assigned to the House Ways and Means Committee.

HB 813 by Rep. Karen Mathiak seeks to amend and allow chiropractors to organize and jointly own a professional corporation with physicians. The bill

stipulates that chiropractors are not able to add the word "physician" to their name or professional corporation. **Current Status:** Assigned to the House Regulated Industries Committee.

Senate Legislation

SB 303 by Sen. Ben Watson, MD, seeks to add a new Code section to provide greater transparency of prices for non-emergency health care services. It would require that insurers make available on their publicly accessible websites an interactive mechanism and a toll free number so that the public may access (and compare the payment amounts accepted by in-network providers from such insurer for the provision of a particular health care service within the previous year; obtain an estimate of the average amount accepted by in-network providers from such insurer for the provision of a particular health care service within the previous year; obtain an estimate of the out-of-pocket costs that such covered person would owe his or her provider following the provision of a particular health care service; compare quality metrics applicable to in-network providers for major diagnostic categories with adjustments by risk and severity based upon the Hierarchical Condition Category Methodology. (Metrics shall be based on reasonably universal and uniform data bases with sufficient claim volume. If applicable to the provider quality metrics shall include, but not be limited to: A) risk adjusted and absolute hospital readmission rates; B) risk adjusted and absolute hospitalization rates; C) admission volume; D) utilization volume; E) risk adjusted rates of adverse events; and F) risk adjusted and absolute relative total cost of care; and access any all-payer health claims data base which may be maintained by the department of insurance). Insurers are also required to post on their website a notice that the actual amount that a covered person will be responsible to pay following receipt of a particular health care service may vary due to unforeseen costs and it prohibits the insurer from charging a covered person cost-sharing beyond that included in the estimate (if the additional cost resulted from the unforeseen provision of additional health services and the cost-sharing requirements of such unforeseen health care services were disclosed in the covered person's policy or certificate of insurance). **Current Status:** Assigned to the Senate Insurance and Labor Committee.

SB 306 by Sen. Valencia Seay, seeks to amend Chapter 44 of Title 43 to adopt the "Audiology and Speech-Language Pathology Compact." Presently, the bill lacks some language around criminal background checks, likely bringing an amendment or substitute offered in committee to address that. This compact requires 10 states to adopt it before the Commission and Compact becomes viable; no state has adopted it yet. **Current Status**: Assigned to the Senate Health and Human Services Committee

SB 311 by Sen. Kay Kirkpatrick, MD, amends Title 31 by adding a new Code Section to prohibit any person or healthcare provider from paying or offering to pay a commission, benefit, bonus, rebate, kickback, or bribe, or participate in any agreement to induce the referral of a patient to or from a healthcare provider. The bill also creates a new fraudulent insurance act for high-tech drug testing. **Current Status:** Assigned to the Senate Judiciary Committee

SB 313 by Sen. Dean Burke, MD, seeks to create new provisions to regulate pharmacy benefits managers. The bill increases the filing fee for pharmacy benefits managers to $2,000 and $1,000 for new applications and renewals, respectively. The bill proscribes PBMs from contracting with physicians for step therapy or prior authorizations unless the physician is licensed by the

Georgia Composite Medical Board, actively sees patients, and engages with the medical practice that focuses on the condition for which they are providing advisement. The bill includes reporting requirements for PBMs for any case where a patient's health outcome is adversely affected by a prior authorization causing a delay in a patient's access to medication or causes a patient to use a medication other than the original prescription. The bill gives the Insurance Commissioner more enforcement capabilities and includes a requirement for PBMs to issue records upon request of the commissioner. In the event that a violation is discovered by the Commissioner, they are authorized to perform an audit to ensure no other violations of a similar type occurred within the state. PBMs are also required to use the national average drug acquisition price as a benchmark for ingredient drug pricing. For specialty drugs, PBMs must use the select specialty pharmacy rate. The bill prohibits PBMs from basing payment or reimbursement of pharmacies for drugs on outcomes, scores, or metrics related to patient health. These are allowed in instances of pharmacy care. PBMs are also prevented from deriving any revenue in connection with performing pharmacy benefits management services. All rebates must be passed completely to health plans. PBMs are required to charge health plans the same price they pay to pharmacies. Further, the bill prevents PBMs from 1) charging a pharmacy fee in connection with a network enrollment; 2) withholding coverage for a lower cost drug or failing to reduce a co-pay when a person selects a lower cost drug; or 3) removing a drug from a formulary or refusing coverage in order to incentivize a person to seek coverage from a different plan. Finally, the bill presents legislative findings regarding pharmacy steering and provides that any PBM found to engage in steering or point-of-sale fees are subject to a surcharge of 10% of all aggregate fees paid to the state in the previous calendar year. All PBMs will be required to submit a report on March 1 of each year attesting to whether or not they engaged in steering practices. **Current Status:** Assigned to the Senate Insurance and Labor Committee.

SB 321 by Sen. Chuck Hufstetler seeks to revise current law relating to the number of physician assistants and advanced practice registered nurses a physician can authorize and supervise at any one time from four to six (combined full time equivalent). **Current Status**: Assigned to the Senate Health and Human Services Committee

SB 323 by Sen. Kay Kirkpatrick, MD, seeks to provide patient protection measures for patients undergoing sedation in office-based surgery settings. It provides for patients under conscious sedation in dental settings and for dental procedures. It further seeks to apply to any surgery or invasive medical procedure requiring analgesic or sedation when performed in a location other than a hospital or hospital associated surgical center or an ambulatory surgical facility including but not limited to physicians' offices and medispas (which are defined in the proposal, including liposuction, laser procedures, intense pulsed light and injection of cosmetic filling agents and neurotoxins in a nontraditional setting). **Current Status:** Assigned to the Senate Health and Human Services Committee.

To find any bill, go to www.legis.ga.gov and use the search box at the top left of the page. There is also an advanced search option that allows you to find bills by keyword or sponsor.

News of the Week

Lawmakers

Interview with Rep. Micah Gravely and Rep. Dar'shun Kendrick on the Georgians Access to Medical Cannabis Commission. Click here to watch.

Georgia Health News

Big merger changes Medicaid insurance equation in Georgia.

The merger of insurers Centene and WellCare will create a company with a dominant position in Georgia's managed care market for Medicaid.

The $17 billion deal, which closed Thursday, will give the resulting entity roughly two-thirds of the Medicaid HMO business in the state. Click here to read more.

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