



The Honorable Bob D. Hackett, Chairman
Senate Finance Subcommittee on Health & Medicaid
Ohio Senate
1 Capitol Square, Ground Floor
Columbus, Ohio 43215

Re: 2019-2019 Executive Budget Proposal – HB 49

Dear Chairman Hackett:

I am writing today on behalf of the 5,000 physician, resident, and medical student members of the Academy of Medicine of Cleveland & Northern Ohio (AMCNO) to offer several comments regarding HB 49, the 2018-19 executive budget proposal.

Telemedicine

Telemedicine, a key innovation in support of healthcare delivery reform, is being used in initiatives to improve access to care, care coordination and quality, as well as reduce the rate of growth in healthcare spending. These initiatives offer a promising avenue to expand service delivery for primary care providers and decrease economic barriers to accessing primary care, particularly for patients who find travel difficult, reside in an institution, or live in medically underserved areas.

The state of Ohio is currently behind 30 other states that have passed laws providing reimbursement for telemedicine services. The language included in sub-HB 49 aligns Ohio with other states by requiring a health benefit plan to cover telemedicine services on the same basis and to the same extent that the plan covers in-person health services. It also prohibits a health benefit plan from imposing any annual or lifetime benefit for telemedicine services other than a benefit maximum imposed on all benefits offered under the plan. In addition, the bill will prohibit a health benefit plan from excluding coverage for a service solely because it is a telemedicine service.

We must provide opportunities for telemedicine reimbursement if we want to see the potential growth opportunities that telemedicine services can provide. With this language, physicians in Ohio will have more avenues to provide access to patients, coordinate care, and improve health outcomes. The AMCNO supports this concept and we ask that the Senate keep this language in the bill.

Medicaid

The AMCNO supported Medicaid expansion under the Affordable Care Act (ACA) and we believe that health insurance coverage and access to quality health care is of utmost importance. The executive version of the budget included a continuation of current Medicaid eligibility levels. Medicaid expansion has provided increased access to care for Ohioans, and we support the continuation of the expansion program in our state.

However, we cannot support the items added by the Ohio House which would shift the funds appropriated for the Medicaid expansion population into the Health and Human Services fund – and then would require the administration to obtain approval, with certain parameters added in, for the release of those funds every six months from the Controlling Board.

The Voice of Physicians in Northern Ohio

Many physician practices are small businesses and it would be extremely difficult to expect these practices to run their business without knowing if the state is going to release the funds necessary to continue providing Medicaid funds. We urge the Senate to remove the controlling board provision from the bill.

Comprehensive Primary Care Program (CPC)

The Governor's Office of Health Transformation (OHT) has developed the Comprehensive Primary Care Program (CPC) to establish a value-based primary care model that rewards practices that hold down costs by managing chronic conditions. Across Ohio, 92 practices are enrolled in the CPC, and physicians in these practices earn an additional \$4 per member per month by participating in this program. The Executive Budget, as introduced, dedicated \$51.6 million (13.6 million state) in 2018 and \$72.0 million (19.1 million state) in 2019 to support practices already enrolled in CPC, and beginning in 2018, would have opened enrollment to any primary care practice in Ohio. Unfortunately, the House removed this funding and eliminated the CPC program, which will reduce payments to primary care doctors and result in the state having to pay back federal funds. We believe this action will have an adverse impact on physicians, patients and the state, and we urge the Senate to reinstate the CPC value-based payment model.

Tobacco Tax

The Executive Budget, as introduced, proposed increasing the tax on cigarettes from \$1.60 per pack to \$2.25 per pack and equalizing the tax on other tobacco products and e-cigarettes with the state cigarette tax. This provision was removed from the House version of the bill. Increasing the cost of tobacco products through tax increases is one of the most effective ways to keep youth from starting to use tobacco products and prompting tobacco users to quit – which would also bring down costs in health care. The AMCNO has long supported an increase in tobacco products, and we support the tax as proposed in the Executive Budget.

Price Transparency

The AMCNO joined the Ohio Hospital Association, the Ohio State Medical Association and other provider associations in filing a lawsuit against the state of Ohio, seeking an injunction against a healthcare price transparency law enacted 2 years ago. This matter is pending further court hearings later this year. This lawsuit was filed because the associations believed that the law was unworkable. The Executive Budget repealed this law, however the House-passed version of the budget reverts back to the law - and includes language about enforcing price transparency in the Controlling Board review of Medicaid appropriations as well. It is our understanding that there is an alternative proposal under review at this time to address this issue in a manner that could be feasible for hospitals and physicians. The AMCNO is in favor of price transparency as long as it is done in a manner in which physicians and hospitals can comply. We ask that the Senate repeal the existing price transparency law and consider the compromise proposal under discussion.

The AMCNO appreciates the opportunity to comment on HB 49. If the committee has any questions for our organization please contact our EVP/CEO Ms. Elayne Biddlestone at (216) 520-1000, ext. 100.

Sincerely,



Fred Jorgensen, MD
AMCNO President

Cc: Members of the Senate Finance Subcommittee on Health & Medicaid