Executive, Legislative & Regulatory 2017AGENDA





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PRESIDENT'S LETTER



2017 presents many opportunities to meet needs, lower costs and continue to provide high-quality health care for the people and communities we serve in lowa, Illinois and Wisconsin. As I begin my second year as President & CEO of UnityPoint Health[®], I look back on the previous year with a sense of accomplishment and look forward to the work ahead that must be done in collaboration and partnership with you.

I spent a great deal of time in 2016 traveling to the communities we serve to witness firsthand the great work being done by our providers. Even though I have been a part of UnityPoint Health for fifteen years, I was taken aback by how we champion excellence every day.

For example, in Des Moines, we have an advanced tertiary care center with a new Emergency Department and the only level I trauma center in Central Iowa and a premiere children's hospital — as well as nearly 100 medical residents trained each year by our staff. Our Robert Young Center in the Quad Cities is a national model for the integration of behavioral and medical care and Des Moines and Cedar Rapids operate two of the most comprehensive behavioral health hospitals in Iowa. Our Peoria region is a model for collaboration, working on successful integrations with both Proctor and Pekin hospitals. In Iowa as a whole, we expanded access to urgent and primary care, dove into population health work and built unprecedented public health partnerships. And while we work to meet the needs of our communities, our hospitals continue to perform at high levels that win awards such as 4 and 5-star ratings from the Centers for Medicare & Medicaid Services.

While all the good work of UnityPoint Health shines, there is much to be done. Behavioral health needs, specialty care access and affordable hospital care in rural areas continue to be areas that require work in almost every one of our regions. Our community members feel a particular sensitivity to rising premiums in the private insurance market and uncertainty regarding the direction of Medicaid. In response, our 2017 UnityPoint Health Legislative Agenda begins to tackle these problems through creative and collaborative solutions.

One year of work may not offer complete solutions to all the needs in health care, but one year can result in a lot of progress made. In 2017, we look forward to a brand new year of working together to achieve change that provides the *Best Outcome Every Patient Every Time*[®].



Kevin Vermeer Chief Executive Officer, UnityPoint Health

Behavioral Health

UnityPoint Health continues to see an increased demand in the need for behavioral health care services in the communities we serve. From our emergency rooms to our outpatient clinics, the needs continue to grow. It is an important aspect of our mission to ensure the regions we serve have access to the behavioral health resources they require. UnityPoint Health is proud to be a leading provider in behavioral health services in all of our communities by investing in infrastructure and personnel to provide behavioral health resources. UnityPoint Health is seeking opportunities to create public-private partnerships with state governments to strengthen the infrastructure of our community resources in this area.

Increase Access for Behavioral Health Patients

Building a robust continuum of care for patients with behavioral health needs is imperative to ensuring proper access to all patients. The continuum of care encompasses every level of care, including outpatient care, crisis services, subacute care, home health and hospital care. More resources need to be directed to these areas to help build an infrastructure where all varying acuity levels can be served. Investment in sub-acute care will help with the flow of patients in and out of hospital beds. It is estimated that 30percent of patients in acute psychiatric beds would be better served at a lower level of care. Oftentimes, patients stay on an inpatient hospital unit well after their acute episode has ended because there is no "better" place to transfer them.

UnityPoint Health seeks public-private partnerships to build an increased infrastructure of inpatient psychiatric beds, sub-acute care and crisis care services.

Continue Integrated Care Models in Iowa, Illinois and Wisconsin

States should continue to encourage the integration of primary care and mental health services through pioneering pilots and reimbursement models. The UnityPoint Health Robert Young Center in Rock Island, Illinois has been a medical and behavioral health care integration model for many years for the state of Illinois, the Midwest and the nation. The results of the integrated medical and behavioral model, combined with innovative provider reimbursement, have resulted in higher quality care for patients and reduced cost for state government in caring for the patients.

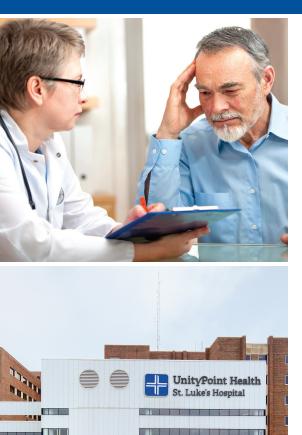
lowa should authorize a pilot based on the Rock Island, Illinois model, as authorized by the state of Wisconsin.







★ STATE LEGISLATIVE PRIORITIES





Revise Iowa's Commitment Process

UnityPoint Health Iowa providers experience daily issues with Iowa's court commitment process. The antiquated process, contained in Chapter 229, does not serve our Iowa communities or fit our care system. Among other problems, providers have no ability to move their patients from acute care to other care settings without a court order. Many patients who are filling up much needed psych hospital beds are no longer in need of acute care, but are simply waiting on a court order to be released.

UnityPoint Health requests the Iowa Legislature form a workgroup to study and recommend an amendment to Chapter 229 during the 2017 Legislative Session.

Transfer Existing Medical Residency Funding to Support Psych Residency Programs

In 2016, UnityPoint Health – Des Moines began a partnership with Broadlawns Medical Center to begin an urgently needed new psychiatric residency program aimed at increasing the mental health workforce in the state. Although seed funding was a good start, it is necessary to provide state funding to continually sustain this program.

UnityPoint Health requests the Department of Public Health direct the existing \$2 million appropriation available for medical residencies specifically toward the maintenance of psychiatric residency programs.

Nurse Licensure Compact

Twenty-five states, including Iowa and Wisconsin, participate in the current Nurse Licensure Compact. The National Council of State Boards of Nursing is proposing changes to the national compact to bring standardization to the requirements for background checks across all states. In order to participate in the nurse licensure compact, all participating states will need to pass changes to the current enacting statute.

UnityPoint Health supports Iowa and Wisconsin updating the nurse licensure compact so our nurses can continue to serve patients across state lines without administratively burdensome licensure requirements.

St. Luke

Private Insurance Reform

Health systems, like UnityPoint Health, continue to develop capabilities in population management, the financing of health care and data analytics. Adjustments to state laws impacting private insurance are necessary to allow health systems to partner with state governments to deliver the highest-quality and most cost-effective care possible.

Telehealth Payment Parity

Many states, including the states served by UnityPoint Health, provide payment parity for medical services offered to Medicaid patients through telehealth. Medicare payment policy also allows for providers to be paid for telehealth services. Allowing providers to bill for telehealth services ensures patients' access to essential and specialized services, avoids the cost and burden of traveling and lowers costs for state and federal governments. The patient convenience and access being realized by Medicaid and Medicare patients should be available to commercially insured patients.

UnityPoint Health requests extending payment parity for telehealth services to private insurance companies to promote increased access to patients we serve.

All-Payors Claims Databases

States are facing increasing health care challenges, from variable quality of care to ever-increasing costs. Comprehensive information on disease incidence, treatment costs and health outcomes is essential for informing and evaluating state health policies and population health initiatives, but it is not readily available. Some states have adopted legislation that requires all-payor databases to collect and make available unidentified patient data to government and providers through a centralized database. For example, Minnesota has enacted a system that securely collects medical claims, pharmacy claims and eligibility and provider files from all private and public payors. The system enables data analytics to be performed by authorized users that can show health and cost trends by location of service, variations in service lines, quality and costs, information on chronic health conditions and cost transparency.

UnityPoint Health supports the development of All-Payors Claims Databases, which would collect information from all private and public payors to promote transparency and increase the quality of health care provided to the patients we serve.

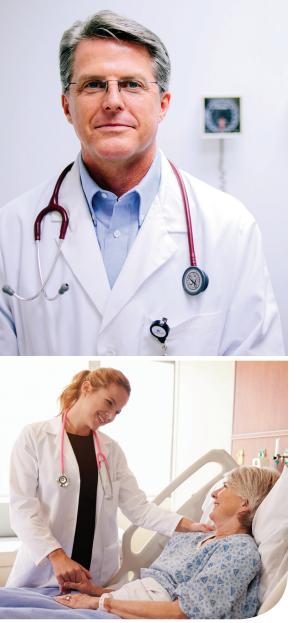






★ STATE LEGISLATIVE PRIORITIES





Medicaid Reforms

In Iowa, Illinois and Wisconsin, a bulk of our Medicaid patients have their care administered through managed care organizations (MCOs). We continue to work with the state departments in these states to ensure the relationship between the MCOs and the providers is working to best serve patients, while being sustainable for providers and state government. To supplement our work with the departments managing the MCO's, we need help from the Legislatures in these areas:

Hospital Assessment Dollars

In both Iowa and Illinois, we rely heavily upon the revenues generated from the hospital assessment ("provider tax") programs to continue to fund our service to Medicaid patients. We ask for continued support of these programs. In Iowa, the program has brought an additional \$38 million annually to Iowa's Medicaid program, but this program will sunset in 2016 and needs to be extended to continue into the future.

UnityPoint Health supports the continuation of hospital assessment programs; and in Iowa, asks the Legislature to renew the program, as is, until 2019.

Cost-sharing Payment Models

Like Medicare and private sector payors, Medicaid programs are moving away from fee-for-service to value-based payment models. UnityPoint Health has been a leader in the shift from fee-for-service to value-based payment. As the largest Next Generation Accountable Care Organization (ACO) program, UnityPoint Health is sharing upside and downside risk for nearly 75,000 Medicare lives. UnityPoint Health is looking for ways to contract with state governments in Medicaid, similarly to how it contracts with the Medicare program.

As a committed Medicaid provider, UnityPoint Health is seeking to enter into innovative payment arrangements with the states and contracted MCOs to achieve the goals of lowering health care costs, improving health care quality, coordinating care and improving population health.

Certificate of Need in Iowa

Like the majority of other states, lowa has a certificate of need law requiring institutional medical providers to apply to a Governor-appointed board, who then determines whether the community needs additional beds. Hospitals, ambulatory surgical centers and nursing homes must go through this process for any increase in beds to an existing facility, or for any new facility. This has served as an important process to ensure the market doesn't become oversaturated with unnecessary providers focused on only private payor patients.

lowa is a leader in health care costs and health care quality, compared to other states. According to the most recent report from the Kaiser Family Foundation, lowa ranks eighth amongst all 50 states, as the lowest Medicare per beneficiary spending. Iowans have benefited by the certificate of need, as can be seen by our high-quality and low-cost health care.

UnityPoint Health supports the continuation of the certificate of need program because it believes this law has helped keep health care costs down and boosted quality of care for lowans.

🖈 STATE LEGISLATIVE PRIORITIES

Tort Reform in Iowa

As the largest health care employer in Iowa (over 900 physicians and providers), UnityPoint Health supports tort reform, like many other states have adopted. By reforming Iowa's tort law, malpractice insurance costs will be less, which Iowers the total cost of health care. Additionally, Iowa would become a more attractive location for providers to practice, making retention and recruitment of providers easier.

Unity Point Health supports tort reform that caps noneconomic damages, strengthens expert witness standards, requires a certificate of merit, creates safe harbors for physicians practicing within evidence-based medicine and provides uniform guidance on contingency fee arrangements between attorneys and plaintiffs.

Iowa Appropriations to Support Children's Health

lowa's children are the future of our state, and ensuring their health and well-being is a priority for UnityPoint Health. UnityPoint Health's Blank Children's Hospital provides care for children from every county in the state of Iowa. In addition, UnityPoint Health hospitals across the state have highly sophisticated pediatric hospital services. UnityPoint Health supports the following appropriations to support the health of Iowa's children:

Iowa Poison Control Center (IPCC)

UnityPoint Health appreciates the Iowa General Assembly's continued support of the Iowa Poison Control Center. With the state's continued appropriation of \$600,000, the Poison Control Center is able to draw down a federal match of \$683,000 (authorized under the Children's Health Insurance Plan) to provide a stable funding source of \$1.3 million for this important public health service.

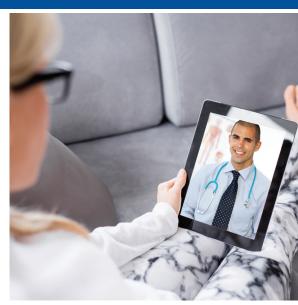
Child Protection Center Grant Program

lowa policy makers have supported the good work of the state's Child Protection Centers by funding the grant program at \$1.6 million for five nationally-accredited CPCs in Iowa. UnityPoint Health respectfully requests an additional \$250,000 appropriation to meet the 14 percent increase in demand for services.

Unity Point Health requests this funding be increased to \$1.85 million.

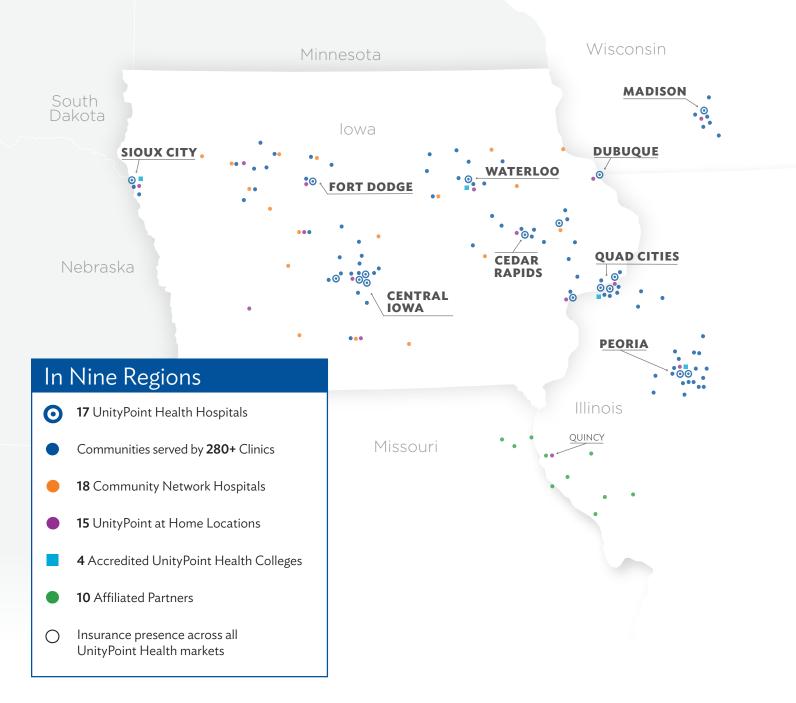
Children's Mental Health in Iowa

UnityPoint Health supports the development of a comprehensive children's mental health system. In Iowa, UnityPoint Health supports the expansion of the 1st Five program to support prevention, early identification and early interventions for children's mental health issues and the recommendations of Iowa's Children's Mental Health & Well-Being workgroup, which include continued crisis planning grants, well-being learning labs and collaborative prevention/early intervention initiatives.









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