

New
Hampshire
Hospital
Association



2025 ADVOCACY AGENDA

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Introduction

New Hampshire hospitals are the backbone of care delivery in communities from the Connecticut River to the Seacoast and the Great North Woods to the Merrimack Valley.

Designed to provide comprehensive medical care from routine preventative medicine to life-threatening emergencies, hospitals are the critical infrastructure Granite Staters count on 24/7/365 to save lives, support recovery, and promote overall health.

While all hospitals in New Hampshire are steadfast in their commitment to caring for the health of their community, unprecedented challenges have made it difficult for hospitals to ensure care is always available. These challenges include burdensome insurance practices, workforce shortages, soaring costs for providing care, and severe government underpayment.

Together, New Hampshire's 23 not for profit hospitals have a negative 0.4% operating margin with 12% vacancy rate for critical clinical staff including nurses, radiologic and surgical technologists, lab technicians, and physicians, among many others. The vitality of hospital systems is essential for any efforts to address the systemic health needs of our state.

In 2025, the New Hampshire Hospital Association will continue to educate policymakers about the significant challenges facing our members. We will work with a new governor, Executive Council, legislature, and regulatory agencies to support meaningful public policy that supports hospitals' efforts to care for their communities now and into the future. As one of the largest industries in the state, the economic impact of hospitals in New Hampshire is substantial, supporting tens of thousands of well-paying jobs that provide direct health care services and economic contributions to the local economy through wages and related spending.

Building on our advocacy from years past, our 2025 Advocacy Agenda is focused on:

- Financial Sustainability
- Access to Care
- Workforce
- Regulatory Relief

In 2025, the New Hampshire Hospital Association will work with our members, the state, and other stakeholders to advance our advocacy strategy and fulfill our vision for a healthy New Hampshire.

Key Highlights

- Ensure predictability and stability for the New Hampshire Medicaid program by negotiating a fair provider payment agreement that supports beneficiaries, hospitals, other community providers, and the state.
- Support efforts to enact greater commercial insurer accountability, particularly with prior authorization, fair contract negotiations, and payment transparency.
- Expand and defend insurance coverage for access to care.
- Target drivers of billing and reimbursement related expenses, including claims processing and overturning denials to reduce unnecessary administrative burden.
- Develop bold and innovative ideas to remove barriers to discharge focused on access, such as, to state-appointed guardians and incentives for post-acute providers to admit non-acute patients from hospitals.
- Partner with industry stakeholders to add capacity in home care services, long-term care and residential care facilities.
- Build on our established partnership with state leaders to implement meaningful strategies for access to behavioral health services at all levels of acuity.
- Strengthen New Hampshire's healthcare workforce by supporting nursing and other workforce recruitment and development programs.
- Foster smart reforms for professional licensure that make it easier for qualified staff to begin work, support high quality care, prevent undue regulatory or financial burden on health professionals, and make New Hampshire a desired location for health care professionals to live and work.
- Add our voice to issues not directly associated with providing care but critical for the success of our operations, including access to affordable housing and childcare.
- Align public policies across government agencies both federal and state to prevent unnecessary regulatory burden, particularly for policies protecting health information privacy aligned with the Health Insurance Portability and Accountability Act (HIPAA).
- Protect hospitals from increased liability and upward pressure on the cost of providing care.
- Maintain payment parity for telehealth services.

Financial Sustainability

As of July 2024, non-profit hospitals in New Hampshire have a negative 0.4% operating margin. This compared to the net profits of insurance companies is staggering. In 2023, the health insurance industry earned \$25 billion in profits.¹

The vitality of hospital systems is essential for any efforts to address the systemic health needs of our state, most notably in behavioral health and maternity care. The current financial environment is simply not sustainable and will force hospitals to evaluate the type and level of services they are able to provide to their communities. As one of the largest industries in New Hampshire, the economic impact of hospitals in New Hampshire is substantial, supporting tens of thousands of well-paying jobs that provide direct health care services and economic contributions to the local economy through wages and related spending. Barely making ends meet or operating at a financial loss is not just bad economics, it impedes hospitals' ability to deliver services and improve health outcomes.

Medicaid Enhancement Tax/Hospital Payment Formula

Given the consequences of not coming to an agreement on a fair and sustainable Medicaid Enhancement Tax/Disproportionate Share Hospital payment agreement in 2024, hospitals in New Hampshire face an enormous financial headwind in April 2025 when the state is scheduled to cut payments to hospitals by at least \$35 million annually.

- Working with new leadership in the governor's office and in the legislature, the New Hampshire Hospital Association's 2025 Advocacy Agenda's top priority is to support a win-win solution that eliminates these cuts and supports funding for hospitals and other community providers, access to care for Medicaid beneficiaries, and predictability for the state budget process.

Commercial Insurer Accountability

In 2024, the New Hampshire Hospital Association, joined by other stakeholder groups, was successful in passing meaningful reforms to the state's prior authorization statute. Holding commercial health insurers accountable for complying with the new law and ensuring appropriate patient access to care is an important element of the 2025 Advocacy Agenda. Hospitals are not opposed to the appropriate and efficient use of prior authorization to prevent unnecessary care. However, we strongly object to the inappropriate use of prior authorization that inhibits necessary patient care.

¹ "U.S. Health Insurance Industry Analysis Report: 2023 Annual Results," National Association of Insurance Commissioners, <https://content.naic.org/sites/default/files/topics-industry-snapshot-analysis-reports-2023-annual-report-health.pdf>.

- Ensure commercial insurance compliance with 2024 prior authorization law (SB561) and Centers for Medicare and Medicaid Services rule.

Hospitals continue to experience payment delays for medically necessary care and considerable costs for administrative complexity that result from billing and insurance related expenses. Administrative complexity is not only a direct cost driver, but also a major contributor to caregiver burnout. Additionally, health insurance plans have a backlog of hundreds of millions in outstanding payments to hospitals, creating significant cash flow challenges and revenue shortfalls that inhibit hospitals' ability meet the needs of patients. Carriers must be held accountable.

- Support efforts for greater transparency and standardization by shedding light on payor payment practices.
- Advocate for policies that reduce the wasteful cost of resources needed to overturn initially denied claims.

Within the past several years, health insurance plans have leveraged unilateral contract and provider manual changes to disrupt the financial commitments in contracts negotiated in good faith. Despite carriers claiming their actions are "cost saving measures," hospitals are deeply impacted by the financial implications of a carrier making material changes to the provisions of these agreements. The changes have been unpredictable and are routinely made without reasonable notice, without clear indications of language alterations, and without estimates for the financial impact on the contract. Not only do these changes impact the financial bottom line of a contract, but they also impact the insurance coverage for health plan members and our patients.

- Ensure patients can rely on their coverage by holding health plans accountable for delaying and denying necessary care, including by making unilateral mid-year coverage changes.
- Enact statutory expectations for changes to the provider manual, including predictable timeframes for carriers to make changes, clearly identifying the language changes in the contract or provider manual, and good faith estimates for the financial impact of the changes on each contracted entity.
- Make clear expectations for carriers to notify their members of coverage changes and how it affects their access to care.

Access to Care

Hospitals strive to provide timely use of care to achieve the best possible health outcomes. This is imperative for inpatient acute care services and extends throughout the delivery of care across all levels of acuity. Achieving this vision relies on a care delivery system that works together, beyond the walls of a hospital, and in partnership with other providers including primary care, specialty care, and post-acute care as well as a fair and reliable commercial and public payor marketplace. Many patients continue to be unable to access an appropriate level of care, at the right time, and in the right setting.

Barriers to Discharge

On any given day across New Hampshire, there are dozens of patients in a hospital bed, medically cleared for discharge but unable to leave the hospital due to various barriers. In its most recent report, “Barriers to Discharge Summary and Trend,” the Foundation for Healthy Communities identified 79 patients without an acute care need waiting in New Hampshire hospitals due to various barriers for discharge.² In total, on the date of the report, these patients accumulated 7,455 unnecessary days waiting in the hospital for discharge. The most significant delays have been due to long-term care Medicaid application approval delays and availability and appointment of a guardian.

- Propose innovative ideas to reduce the decision time for long-term care Medicaid applications and expand coverage for provisional eligibility.
- Support investments in guardianship services to increase capacity and access to professional guardians.
- Establish an expedited path for guardianship appointments for patients unable to make decisions for themselves while also preserving individual liberties and due process.
- Support policies to staff all long-term care bed licenses to ensure Granite Staters have the maximum access to long-term care services, while supporting a financially viable long-term care system.

² “Barriers to Discharge Summary and Trend,” Foundation for Healthy Communities, June 2024, https://www.nhha.org/wp-content/uploads/2024/08/NHHA_Barriers_to_Discharge_Folded_Handout_SINGLES_PRESS.pdf.

Post-Acute Care

New Hampshire is not unique in facing challenges with access to post-acute care, which include deficiencies in reimbursement, staffing shortages, and the need for specialty care services in the long-term care setting. Unaddressed, these challenges make it very difficult for hospitals to find placement for patients ready for discharge to a post-acute care setting and create a bottle neck that backs up access to acute care.

Exacerbating the current concerns about lack of post-acute care, on April 19, 2024, CMS released its “Minimum Staffing Standards for Long-Term Care Facilities and Medicaid Institutional Payment Transparency Reporting Final Rule (CMS 3442-F),” which specifies new minimum nurse staffing requirements in long-term care settings. Although intended to foster safe and high-quality care for residents living in long-term care facilities, the unintended consequence of this rule will reduce capacity and access to care.

- Join long-term care stakeholders in expressing deep concern with the unintended consequences of implementing staffing ratios at long-term care facilities effective beginning in May 2026 - specifically, how the implementation of this rule will affect access to the upstream care provided in hospitals.

Behavioral Health

Noticeable progress is being made in partnership with the New Hampshire Department of Health and Human Services (DHHS) in implementing solutions developed through the Mission Zero initiative aimed at eliminating hospital emergency department psychiatric boarding. Additionally, the Department of Insurance has reestablished its Behavioral Health Advisory Committee to identify and address gaps in coverage for behavioral health services.

- Ensure the state continues to make progress in eliminating emergency department boarding of behavioral health patients.
- Advocate for funding to support community mental health centers, infrastructure in care traffic control operations, and wrap around services in the next state budget.
- Remain involved as a key stakeholder in Mission Zero to ensure improvements in the state’s mental health system remain a priority for all parties.

Insurance Coverage

The New Hampshire state legislature has an important role in establishing the broad policy for the regulation of insurance by enacting laws that provide the regulatory framework under which New Hampshire's insurance regulators operate. The fundamental purpose for the regulation of insurance is to protect Granite State consumers. Hospitals are well positioned to advise the legislature on enacting policies that broaden, protect, and foster access to comprehensive health care services from preventative screenings to specialized treatment for complex conditions.

- Support broadening insurance coverage by commercial and government payors, specifically for behavioral health services.
- Defend payment parity for telehealth services and coverage for advancements in technology and treatment that have become widely adopted as the standard of care.



Workforce

Recruit, Retain, Incentivize

Universally identified as one of the most urgent challenges, our hospital members continue to experience workforce shortages in critical clinical and operational staff positions. With vacancy rates lingering in the double digits, hospitals are forced to seek temporary, contract labor to maintain operations. Volume has rebounded and exceeded pre-pandemic demand and hospitals are spending significant dollars to ensure they have a workforce needed to meet the demand. Strategies to support recruitment and retention have been identified and policy makers should support valuable and effective investments in making New Hampshire an attractive and competitive place to recruit a strong health care workforce at a time when other states are already incentivizing health care professionals to work in their state.

- Support statewide tuition assistance and loan repayment for health care employees to work in New Hampshire.

Professional Licensure Reform

Although significant progress has been made, continued attention to reforming professional licensing in the Office of Professional Licensure and Certification (OPLC) remains important for ensuring New Hampshire health care employers can put their staff to work at the top of their license on day one.

- Reform Medical Imaging and Radiation Therapy licensing statutes to align with current practice.
- Propose and promote student licensure in high-demand professions like respiratory therapy to be competitive with other states.
- Advocate for the creation and adoption of administrative rules that are needed to operationalize the past several years' worth of statutory changes aimed at aligning OPLC's and licensing boards' mission and work.

Housing and Childcare

Access to adequate and affordable housing and childcare are now critical for hiring and keeping a strong and sustainable workforce. Hospitals support over 42,600 jobs statewide and without a strong housing inventory, hospitals are losing talent to other states with a housing market that can support their employees. Additionally, the lack of access to affordable childcare in New Hampshire prevents many people from entering the workforce.

- As one of the state's largest employers, hospitals must join with industry stakeholders to support policies that improve access to housing and childcare options for employees.

Regulatory Relief

Unnecessary Regulatory Burden

Health care is one of the most highly regulated industries, where providers must comply with a myriad of rules and regulations that can have an enormous impact on patient care. Clinical staff find themselves devoting more time to regulatory compliance, taking them away from patient care. The average-sized community hospital in the United States dedicates 59 FTEs to regulatory compliance, over one-quarter of which are doctors and nurses costing nearly \$7.6 million annually on administrative activities to support compliance with federal regulations alone.³

- Reduce unnecessary regulatory requirements that are not evidence-based in protecting the public.
- Ensure legislative proposals do not conflict with existing federal regulations and accrediting agency guidelines. Specifically with regard to licensure, privacy, confidentiality, consent, transitions of care, billing, and quality reporting.

Fraud and Abuse

“Insurance fraud claims surging in New Hampshire,” reads a headline on the front-page of a February 2024 Concord Monitor in which reporter David Brooks quotes Department of Insurance Fraud Director Brendhan Harris saying, “Adobe Pro has been a game-changer for us,” not in a good way when bad actors can manipulate PDF documents including medical records. In 2023, the Fraud Unit within the Department of Insurance saw a nearly 25% increase in referrals resulting in prosecuting 19 cases of insurance fraud with a total value of \$1,584,479. In years past, the New Hampshire Hospital Association has advocated for changes to state law to allow hospitals to scan and store driver’s licenses without success. Continued evidence of increased fraud must be shown to the Department of Safety, which has the authority to grant permission for hospitals to scan and store driver’s license information for fraud prevention.

- Support a blanket waiver from the Department of Safety to provide clear authority for hospitals to scan and store driver’s license information in their electronic medical record to prevent insurance and medical fraud.

³ American Hospital Association Press Release, October 2017, <https://www.aha.org/press-releases/2017-10-25-new-report-shows-regulatory-burden-overwhelming-providers-diverting>

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Please visit nhha.org/advocacy to get involved and learn more about the New Hampshire Hospital Association's 2025 public policy advocacy agenda.