

# SB 2012

## Senate Appropriations Human Resources Division



# Items to review

- Hospital Challenges
  - Workforce
  - Financial concerns
- Medicaid reimbursement for services provided to Medicaid recipients
- NDHA supports SB 2012 budget
  - review budget items

# Hospital Challenges

- **Workforce**

- #1 challenge for hospitals
- Concern before COVID-19
- In both urban and rural areas
- 23% increase in wages since Covid
  - Urban hospitals wages have increased \$382 million, 2019 vs. 2022
    - Why? Contract Labor (Staffing agencies)

# Workforce Survey

- NDHA conducted Nursing Survey – summer 2022
  - How many full-time nurse positions do you have open?
    - 1,326
    - 42 hospitals
  - How many contract nurses do you have?
    - 717
    - During COVID-19 hospitals paying \$200 per hour, before \$85
  - Hospitals getting creative to retain and recruit
    - bonus and loan forgiveness programs
    - recruit from other countries
    - Thank you, legislators for supporting different workforce programs

# Hospital Challenges

- **Financial Concerns**

- Urban hospitals operating margins cut by 50% since COVID-19
  - Includes federal COVID funding
- 36 rural hospitals
  - 17 have positive operating margins in 2022
    - half of 17 would have negative margins without federal COVID funding
- Inflation (increases)
  - Pharmacy 48%
  - Wages 23%
  - Supplies 11%



- **Thank you for supporting Medicaid Expansion**

- Affordable Care Act– ND expanded Medicaid to adults with incomes up to 138% of federal poverty level
- 90% federally funded
- Implemented in January 2014
- 33,400 covered lives are getting healthcare on a regular basis
- Uncompensated care reduced for hospitals
  
- Bottom line, the state's 10% investment has provided access to care.

# SB 2012 Hospital Request

- Support Inflationary Increases
  - impacts hospital reimbursement (fee schedules)
  - support increase based on hospital cost increases
- Support preserving current Medicaid Expansion rates to providers
- Support fair Medicaid Value-Based Purchasing programs
  - Hospitals continue to be involved in designing program for traditional Medicaid with ND DHHS



- **Questions**

- Tim Blasl
- President
- North Dakota Hospital Association