Legislation Impacting OHS

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Health care information technology (1 of 2)

Health Information Exchange

- **PA 25-97 § 47** OHS conduct a study on **1) granular choice** in selecting what specific types of patient health information and medical records to share with the HIE, including the ability for a patient to choose to exclude patient health information and medical records associated with a particular health care provider from the HIE, the operational and financial implications of implementing such option, and an option that allows health care providers to participate in the HIE using a only a BAA pursuant HIPAA; **2)** examine **current opt-out procedures** and determine whether to enhance procedures by enhancing transparency and simplifying ability to opt-out; and **3)** summarize, the **landscape of health data sharing** in the state, protections relating to such data sharing and the benefits of provider access to patient health information.

- Report due September 30, 2026, to PH committee

Health care information technology (2 of 2)

Health Information Exchange

- **PA 25-97 § 48** Healthcare provider who does not actively practice in the state is not required to connect with Connie
- If HIE experiences a data breach or hacking, the HIE shall notify patients of the event
- Clarifies that participation means sharing of “designated record sets” instead of medical records
- Adds shield law protection that HIE shall not disclose protected information in response to a subpoena unless the disclosure complies with federal and state laws regarding release of medical records

Health care affordability (1 of 3)

Insurance Rate Premium Increase tied to Cost Growth Benchmark

- **PA 25-94 § § 6-7:** For any group health insurance policy or Medicare supplement policy, the CID commissioner may reduce a carrier's rate increase request by up to 2 percentage points if a carrier's average premium rate increase exceeded the CGB for each of the two most recent plan years.

Prescription Drug pricing

- **PA 25-168 §§ 346-347** If a prescription drug manufacturer or wholesale distributor is identified as selling an identified drug that exceeds the reference price, DRS may impose a civil penalty. DRS compiles a list of those who violated the statute.
- No Rx manufacturer or wholesaler may withdraw sale of a drug for purpose of avoiding civil penalty. Must notify OHS 180 days in advance of intention to remove drug from sale. There is a $500k civil penalty for violating this provision.
- **PA 25-167 § 2 :** As of January 1, 2026, a PBM shall offer a health plan the option of being charged the same price for a Rx that the PBM pays a pharmacy for the prescription drug.

Health care affordability (2 of 3)

Prescription Drug Copay

- **PA 25-167 § 8:** Patients may receive credit for out-of-pocket and out-of-network prescription drug expenses toward their annual deductible if they paid a lower price than they would have at an in-network pharmacy with insurance.

Canadian Drug Importation feasibility

- **PA 25-167 §§ 9-18:** Creates a process for DCP to explore drug importation from Canada.
- If such program is established, outlines safety protocols for track-and-trace, labeling, testing, documenting, ceasing distribution, recalling, and embargoing or destroying drugs if necessary.

Health care affordability (3 of 3)

State Agency Drug Purchasing Consortium

- **PA 25-167 §§ 19-22:** Identifies Judicial, DMHAS, DCF, DSS and DPH as "drug purchasing agencies". Requires DAS to negotiate bulk prices for Rx drugs on behalf of drug purchasing agencies with goal of purchasing at a lower price than when purchased as a single agency.
- Agencies may use the "maximum fair price" (price negotiated by CMMS) as a guiding price, in negotiations with a drug manufacturer for the supply of Rx drugs for health care programs subsidized by the state.
- Creates an Advisory Council on Pharmaceutical Procurement to advise DAS and drug purchasing agencies.
- Requires DSS to petition DHHS to authorize generic, lower cost forms of GLP-1 to treat obesity or diabetes. Upon approval of such petition, DSS may enter into a contract with any manufacturer of the generic GLP-1 approved by the FDA for use by the HUSKY program.

Health care transparency

Prescription Drug Rebates

- **PA 25-167 § 3:** Updates CID report to include reporting on the "percentage of rebate dollars used by health carriers to reduce premiums paid by insureds during such year, an evaluation of rebate practice to reduce cost-sharing for health care plans delivered, issued for delivery, renewed, amended or continued during such year.
- **PA 25-167 § 4:** CID shall require any health carrier, to report annually on pricing in effect for prior year and profit generated between health carrier and any PBM—as long as it's not proprietary and is held confidential by CID.

Health care landscape

Certificate of Need

- **PA 25-2:** Emergency CON process established for transfer of ownership transactions for hospitals that have filed for bankruptcy.
- **PA 25-168 §275:** Termination of services definition updated to read "cessation of any services for a combined total of greater than one hundred eighty days within any consecutive period"
- **PA 25-168 § 276:** Explicitly allows for OHS to consider the preliminary CMIR report, responses to the preliminary report, the final report and any written comments from the parties regarding the CMIR reports as part of its review.
- Prohibits OHS from placing the preliminary CMIR into public record until the transacting parties had time to respond to the findings of the preliminary report.
- **PA 25-168 § 338:** Statewide facilities and services plan to be conducted biannually within available appropriations

Maternal Health Access

- **PA 25-38 §1:** OHS Develop (in consultation with DSS and DPH) a strategic plan to increase the number of birth centers and birthing hospitals located in areas of the state with a high percentage of Medicaid recipients and limited access to birth centers and birthing hospitals.

Health care delivery (1 of 2)

Advancing All-Payer Health Equity Approaches and Development

- **PA 25-168 § 47:** Allows DSS to develop a methodology and implementation plan for one or more financing structures or alternative payment methods for hospital services including global budget under the AHEAD model.
- Specifies that participation in such model is voluntary and cannot be a condition of CON approval or Medicaid reimbursement.
- DSS shall report to HS, PH and APP by January 31, 2026.

Racial Ethnic Impact Statements

- **PA 25-27:** As of January 6, 2027, allows the Commission on Racial Equity in Public Health to request data from state agencies to complete Racial Ethnic Impact statements

Interagency Council on Homelessness

- **PA 25-52:** Establishes an interagency council on homelessness which includes representation from OHS

Health care delivery (2 of 2)

Prescription Drug Shortage Mitigation

- **PA 25-167 § 5:** Taskforce to study emergency preparedness and mitigation strategies for Rx shortages.
- Identify Rx drugs at risk of shortage and make recommendations
- **PA 25-167 § 6:** DECD may utilize bond proceeds to support Rx drug production capacity in the state. DECD may give preference to financial assistance applications that incorporate recommendations from the Rx mitigation Taskforce (which OHS is sits upon)

Hospital Discharges and ED Boarding

- **PA 25-168 § 189:** Updates reporting of emergency department data by hospitals to include submission to OHS, DPH and OHA beginning March 1, 2026 until March 1, 2029.
- **PA 25-168 §190:** Establishes a working group to evaluate hospital discharge challenges, including discharge practices, and propose strategies to reduce discharge delays, improve transition of care and alleviate emergency department boarding.