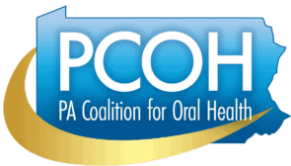




Pennsylvania Chapter

INCORPORATED IN PENNSYLVANIA

American Academy of Pediatrics
DEDICATED TO THE HEALTH OF ALL CHILDREN®



March 23, 2022

The Honorable Tom Wolf
Office of the Governor
Commonwealth of Pennsylvania
508 Main Capitol
Harrisburg, PA 17120

Dear Governor Wolf:

The undersigned organizations are writing to request that the Department of Human Services (DHS) refrain from including a new contract provision relating to "work stoppages" within upcoming Physical Health (PH) HealthChoices Medicaid Managed Care agreements, as well as in future Community HealthChoices and Behavioral Health (BH) HealthChoices contracts. We believe this contract provision will jeopardize access to care for Medicaid recipients, represents an unwarranted state intrusion into the labor management process, and potentially could diminish the financial and operational viability of a wide range of health care providers.

As you are aware, the proposed contract provision provides that a Medicaid managed care plan may not include in its network any provider with a history of one or more work stoppages during the preceding five years, unless the provider is or becomes a signatory to a collective bargaining agreement or labor peace agreement that includes specific terms. Based on current information, this clause could preclude more than a dozen hospitals, including sole community providers in rural areas from serving people in their community covered by Medicaid.

Moreover, testimony during recent state budget hearings also indicate that this provision is intended to be expansive, as the term "provider" will be broadly interpreted to include even a small dental office or provider of other medical services. The existence of the language will encourage future work stoppages as collective bargaining agreements lapse statewide and unions seek to gain "the upper hand" in negotiations. Consequently, an unknown number of additional providers may be similarly impacted and excluded from the program.

Simply put, the proposed contract provisions will jeopardize access to care for Medicaid beneficiaries in communities across the commonwealth.

Ironically, the provision will have the greatest impact on the range of providers who serve a disproportionate share of Medicaid recipients. High Medicaid providers would no longer be viable if excluded from the program; and these same providers are least able to meet employee wage demands due to chronic longstanding Medicaid underpayment. This dynamic will also add to a constellation of challenges facing small rural providers and urban



[The Urban Health Care Coalition of Pennsylvania](#)

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providers serving large numbers of Medicaid and Medicare recipients. In addition to jeopardizing access to care or Medicaid recipients, the outcome could jeopardize access to care for whole communities.

Medicaid consumers face some of the largest challenges in accessing health care in this commonwealth. We believe that the HealthChoices programs should be designed to enhance access and be focused on meeting the needs of Medicaid beneficiaries without entangling them in disputes between unions and providers.

We respectfully urge you, as you have done countless times before, to act to protect Medicaid consumers by withdrawing this contract provision from the upcoming PH-HealthChoices managed care contracts and refrain from including similar provisions in other HealthChoices programs.

Thank you for considering this request.

Sincerely,

American College of Physicians, Pennsylvania Chapter
LeadingAge PA
Pennsylvania Chapter of the American Academy of Pediatrics
Pennsylvania Chiropractic Association
Pennsylvania Coalition of Nurse Practitioners
Pennsylvania Coalition for Oral Health
Pennsylvania College of Emergency Physicians
Pennsylvania Health Care Association
Pennsylvania Homecare Association
Pennsylvania Office of Rural Health
Rehabilitation and Community Providers Association
Safety-Net Association of Pennsylvania
The Hospital and Healthsystem Association of Pennsylvania
The Urban Health Care Coalition of Pennsylvania