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### Introduction

The New Hampshire Hospital Association (NHHA) is proud to represent hospitals serving as 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 preventive medicine to life-threatening emergencies, hospitals are the critical source of healing that 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 strained resources, intensified workforce needs and threatened the financial stability of our health care system. This, coupled with recent and anticipated federal funding cuts and escalating costs to provide care will further compromise hospitals' ability to deliver essential services.

The 2026 New Hampshire Hospital Association Advocacy Agenda is rooted in the belief that a strong and robust system of hospitals across the state is essential to economic vitality, community well-being and addressing the systemic health needs of our state. Strong hospitals lead to a healthier New Hampshire.

As one of the largest sectors, 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.

The New Hampshire Hospital Association will continue to educate policymakers about the significant challenges facing our members. We will work with Governor Ayotte, executive councilors, legislators, and regulatory agencies on meaningful public policy that supports hospitals' efforts to care for their communities now and into the future.

Building on our advocacy from years past, the 2026 Advocacy Agenda is focused on:

- Hospital Financial Sustainability
- Access to Care
- Workforce
- Regulatory and Administrative Relief

The 2026 Advocacy Agenda serves as a roadmap for action and reflects our unwavering commitment to fulfill our vision for a healthy New Hampshire.

# **Key Highlights**

- > Support efforts to enact greater commercial insurer accountability, particularly with prior authorization, fair contract negotiations and payment.
- > Expand and defend insurance coverage for access to care.
- Facilitate member engagement in the Rural Health Transformation Program.
- ➤ Ensure state upholds the commitments established under the new MET/DSH agreement and partner with the state to plan for a future model to fund Medicaid.
- Build on the advances removing barriers to discharge, including the use of newly established public guardian resources and holding state agencies accountable for shorter long-term care Medicaid determination timelines.
- ➤ Partner with industry stakeholders to add capacity in home care services, long-term care, and residential care facilities.
- ➤ Build on established partnerships with state leaders to implement meaningful strategies for access to behavioral health services at all levels of acuity.
- > Strengthen New Hampshire's health care workforce by supporting nursing and other workforce recruitment and development programs.
- ➤ Foster reforms for professional licensure that make it easier for qualified staff to begin working, 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 the hospital 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) and accountability in the federal 340B program.
- > Target drivers of billing- and reimbursement-related expenses, including claims processing and overturning denials to reduce unnecessary administrative burden.
- > Support sound price transparency regulations that leverage existing workflows and technology to enable patient access to information without significant administrative burden for providers.
- > Protect hospitals from increased liability and upward pressure on the cost of providing care.
- Maintain payment parity for telehealth services.

# **Hospital Financial Sustainability**

As of July 2025, seven of 21 non-profit hospitals in New Hampshire have a negative operating margin.

The vitality of hospital systems is essential for any efforts to address the systemic health needs of our state, most notably in behavioral health, maternity care and specialty care in rural communities. 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 sectors 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, improve health outcomes and invest for the future.

#### Commercial Health Insurer Behavior

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 of dollars in outstanding payments to hospitals, creating significant cash flow challenges and revenue shortfalls that inhibit hospitals' ability to 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 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 when they make unilateral mid-year changes.

- Enact statutory expectations for changes to the provider manual, including predictable timeframes for carriers to make changes and clearly identifying the language changes in the provider manual or other supporting documentation.
- Make clear expectations for carriers to notify their members of coverage changes and how they affect their access to care.

### **Rural Health Transformation Program**

The Rural Health Transformation (RHT) Program was established to support rural communities with improving health access, quality and outcomes by transforming the health care delivery ecosystem. The \$50 billion fund is the largest investment in rural health in history.

- > Serve as chief collaborator for all hospital member stakeholders participating in the development of the state's RHT Program plan.
- Advocate for hospital priorities including maintaining and expanding rural access to care, workforce, information technology, cybersecurity and reducing barriers to patient throughput.
- Foster member engagement to refine conceptual ideas into practical programs and services that meet and exceed the goals of the RHT Program funding opportunity. Engage with the New Hampshire Executive Council in support of RHT Program contract awards.

### **Provider Taxes and Directed Payments**

After several months of negotiations in 2025, hospitals and the state agreed on a path forward for the Medicaid Enhancement Tax (MET)/Disproportionate Share Hospital (DSH) program through 2027. However, federal changes passed in the One Big Beautiful Bill Act (OBBBA) will impact a path forward beyond the terms of the current agreement. Specifically, the maximum federal matching percentage that states can use to generate a federal match will begin to go down from 6% to 5.5% and gradually down to 3.5% by 2032. In addition, the amount of revenue that can be generated through state directed payments will drop from the current Average Commercial Rate to the Medicare rate. Among many consequences, this reduction means the state of New Hampshire will lose revenue previously generated from the MET and the corresponding federal match, requiring the state to make up the difference by finding other funding sources, cutting benefits, and/or reducing provider payments.

- Ensure the state upholds the commitments established under our new agreement.
- > Participate in the study committee established in the 2025 legislative session by SB 249.
- > Partner with state leaders to begin planning for a future model to fund Medicaid.

#### **Access to Care**

Hospitals strive to provide timely 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. Due to a variety of factors, often associated with insurance coverage or payor behaviors, 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. This worsens already existing capacity challenges, increases delays in the emergency department, and puts upward pressure on the cost to provide care because unnecessary days are not reimbursed. Last year, hospitals successfully advocated for the passage of legislative priorities aimed at addressing the most pressing barriers to patients receiving the right care in the right place including a \$550,000 appropriation to increase public guardian resources, a policy change to allow public guardian resources to serve non-acute patients eligible for a court-appointed guardian, a \$3 million appropriation for the NH Department of Health and Human Services (DHHS) to shorten long-term care Medicaid determination timelines, and establishing a new advisory council to study long-term care and make recommendations for improved capacity at all levels including in-home support.

- Raise member awareness and facilitate use of new public guardianship resources to ensure hospitals demonstrate the need for these services meets or exceeds the state's newly allocated resources.
- Ensure \$3 million investment in resources for long-term care Medicaid determinations are effectively reducing the time it takes to fully enroll long-term care Medicaid eligible applicants.
- Actively participate in the newly established Advisory Council on the System of Care for Healthy Aging over the Commission on Aging.

#### **Prior Authorization**

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 ongoing priority for the 2026 Advocacy Agenda. While prior authorization may play a role in the insurance marketplace, hospitals strongly object to the inappropriate use of prior authorization that inhibits necessary patient care.

- Ensure insurance compliance with 2024 prior authorization law and Centers for Medicare and Medicaid Services Interoperability and Prior Authorization Final Rule.
- ldentify and evaluate the use of Artificial Intelligence in carrier prior authorization determinations.
- ➤ Evaluate options to use technology platforms to reduce administrative burden imposed by insurers such as prior authorizations, eligibility look-ups, claims processing, denials and appeals management.

#### **Behavioral Health**

Noticeable progress is being made in partnership with 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.

- Advocate for funding to support community mental health centers (CMHC), infrastructure for care traffic control operations and wraparound services.
- 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.

### 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 double digits, hospitals are forced to seek temporary contract labor to maintain operations. 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.

- > Promote HealthForce NH as the lead organization in NH for health care workforce initiatives with a wide range of stakeholders and policy makers.
- > Support statewide tuition assistance and loan repayment for health care employees to work in New Hampshire.
- > Support investment from the Rural Health Transformation Fund to improve rural health care workforce recruitment.
- Partner with schools to promote health care careers.

#### **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.

- Propose and promote legislation to clarify the Licensed Practical Nurse (LPN) scope of practice to make New Hampshire competitive with other states.
- Monitor health professional boards' regulations and actions to ensure scopes of practice, professional oversight and emerging issues are addressed appropriately to remove any barriers to employing licensed professionals in our state.
- Advocate for fair licensing fees that do not unfairly burden a licensed profession nor put New Hampshire at a recruitment disadvantage.

#### Housing and Childcare

Access to adequate and affordable housing and childcare are 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 and Administrative Relief**

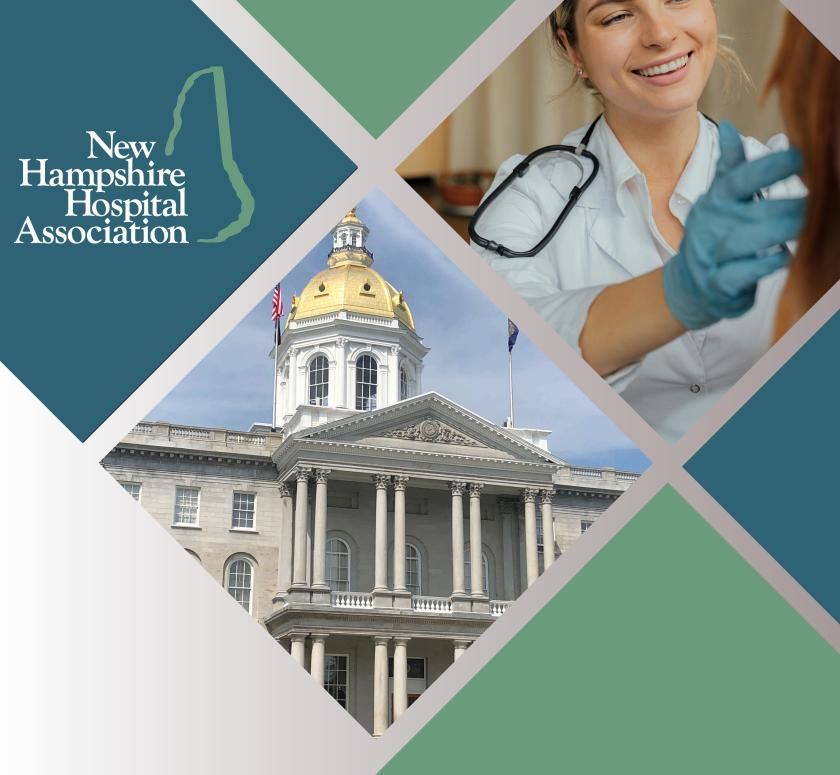
### **Unnecessary Regulatory and Administrative Burden**

Health care is one of the most highly regulated sectors, 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. A smart and flexible regulatory framework is essential to ensure that health care providers can focus on what matters most: delivering safe, timely and compassionate care. While regulation plays a vital role in ensuring safety and accountability, excessive red tape diverts time and resources away from patient care, contributes to workforce burnout and drives up costs for providers and taxpayers alike.

- 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 reporting.



<sup>&</sup>lt;sup>1</sup> American Hospital Association Press Release, October 2017, https://www.aha.org/press-releases/2017-10-25-new-report-shows-regulatory-burden-overwhelming-providers-diverting



Please visit <a href="mailto:nhha.org/advocacy">nhha.org/advocacy</a> to get involved and learn more about the New Hampshire Hospital Association's 2026 public policy advocacy agenda.