



COMMONWEALTH OF PENNSYLVANIA
OFFICE OF THE GOVERNOR
HARRISBURG

THE GOVERNOR

March 17, 2022

Dear providers,

Thank you for your letter dated March 11, 2022, regarding network adequacy in the HealthChoices program. I appreciate the shared concern about Medicaid recipients' access to services and take seriously the Department of Human Services' responsibility to carefully review and assess each managed care organizations' (MCO) network.

In 2019, in addition to several new requirements in the draft HealthChoices agreement, the department added language to strengthen network adequacy requirements to ensure continuous access to care for individuals participating in Medical Assistance. Service disruptions caused by employee unrest or dissatisfaction impede a provider's ability to ensure continuous access to care. Therefore, the new provision requires any provider who has had a work stoppage in the past five years to enter into a collective bargaining agreement or labor peace agreement to resolve ongoing disputes and prevent future work stoppages in order to be included in a managed care organization's network.

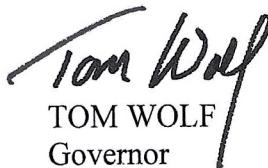
Maintaining continuous access to care supports other essential considerations for network adequacy, including ensuring that a network includes sufficient providers with the requisite training and experience to furnish the contracted Medicaid services.

Additionally, your letter indicated that the inclusion of the new provision serves a subsidiary policy goal of mandating health care unionization. This is simply false. An MCO may satisfy this obligation in one of two ways: (1) demonstrating providers have no history of work stoppages over the last five years; or (2) demonstrating that providers with a work stoppage during this time have signed or will sign a collective bargaining agreement or labor peace agreement containing provisions intended to prevent any further service disruptions caused by employee unrest or dissatisfaction. Unionization is clearly only one option for compliance with this provision - not a requirement.

I wholeheartedly agree that disputes between unions and providers should not interfere with the needs of Medical Assistance recipients, as you noted in your letter. Sadly, such disputes already have interfered, and will continue to be a barrier to continuous access to care, if left unaddressed. Just this week my office was made aware of a work stoppage that occurred at a Pennsylvania hospital which led to outpatient and elective procedures being cancelled or curtailed. This is a prime example of why the new work stoppage language is critical to prevent unresolved labor disputes from compromising Medical Assistance recipients' access to care

I sincerely hope all providers understand the critical need for uninterrupted care and seek any additional guidance as necessary to comply with this provision. I look forward to your partnership as we strive to best serve Pennsylvanians.

Sincerely,


TOM WOLF
Governor