

eProgress Notes . . . July 2010

A Monthly Publication of the Nassau-Suffolk Hospital Council, Inc.

eProgress Notes publication is a summary of regulatory and legislative news, advocacy messages, and other relevant issues affecting the delivery of hospital and health care on Long Island.

Hospital Council CEO Also Assumes Leadership of Hospital Association in Hudson Valley

Organizations provide advocacy, education for 54 suburban hospitals



Kevin Dahill, (*at left*) president/CEO of the Nassau-Suffolk Hospital Council (NSHC) became president/CEO of the Hospital Council's sister organization, the Northern Metropolitan Hospital Association (NorMet), headquartered in Newburgh, New York earlier this month. The NSHC and NorMet share common health/hospital policy concerns related to suburban areas and, for the past five years, have maintained an advocacy collaboration known as the Suburban Health Care Alliance.

In this dual appointment, Dahill will lead the Hospital Council and NorMet, aligning advocacy initiatives and providing the Long Island and Hudson Valley regions with a unified and collective voice that represents two of New York's largest suburban metropolitan areas. Both the NSHC and NorMet are part of the Healthcare Association of New York State (HANYS) through a management agreement, although each organization maintains its own board of directors. Dahill replaced Neil Abitabilo who retired after 25 years of service to NorMet.

Daniel Sisto, president of HANYS said, "We thank Neil Abitabilo for his effective service on behalf of health care providers and patients in the Hudson Valley region and beyond, and wish him well in his retirement. A hallmark of Mr. Abitabilo's work was bringing together businesses and providers in the Hudson Valley, as well as seeking common positions with hospitals on Long Island to promote suburban interests in Albany and Washington D.C. That bond will continue and strengthen as NSHC's president/CEO Kevin Dahill assumes leadership of NorMet. Mr. Dahill is the ideal person for this job because of his work with NorMet and its members, his experience as leader of a NorMet facility (he was president of New York United Hospital in Port Chester before joining NSHC), and, most importantly, because he is a focused, proven leader who has revitalized and transformed NSHC into a powerful, respected regional advocacy organization."

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State Budget Impasse Exceeds 100 days

No significant progress in special session called late in July

The special legislative session called by Governor Paterson this past Wednesday, July 28, did not yield closure to the state's unfinished budget business. The Assembly had passed a revenue budget bill before it adjourned for the July 4th recess, but the Senate did not have the votes to pass the revenue bill. The funding gap is now estimated to be anywhere from \$400 million to \$1 billion, not including the \$1

billion contingency fund that the Governor is also seeking in case Congress fails to extend the Federal Medical Assistance Percentage (FMAP). Law requires that the budget gap be closed.

Long Island's hospital leaders say their industry has absorbed billions in Medicaid cuts and taxes since 2008 and the industry has done its part in helping to solve the state's fiscal crisis. Twenty-one million in cuts to Long Island hospitals occurred as recently as early June, when Governor Paterson's extender bill imposed Medicaid cuts through indigent care fund reductions, elimination of the Medicaid trend factor (a previously legislated payment adjustment tied to inflation), and cuts to payments for preventable readmissions.

Hospital administrators remain very concerned about the imposition of any gross receipts tax (GRT) on inpatient services and the fate of FMAP money. FMAP money expires December 31, 2010, yet New York and many other states have factored an extension of this money into their 2010 – 2011 budgets. The legislature and governor are at odds concerning the development of a contingency plan should the FMAP money not be forthcoming – *Janine Logan, jlogan@nshc.org*.

Special Medicare Benefit Receives Legislature's Approval Despite Budget Stalemate, TCUs Prevail

Before adjourning for the July recess, the state legislature passed an expansion of the transitional care unit (TCU) demonstration project. The five current demonstration sites will remain, including the TCU at John T. Mather Hospital in Port Jefferson. In addition, the legislation nullifies the sunset dates previously placed on the demonstration programs. It also adds 13 more sites for a total of 18 throughout the state.

The Nassau-Suffolk Hospital Council (NSHC) and the Northern Metropolitan Hospital Association (NorMet) fought vigorously for years for this expansion. The NSHC and NorMet recently formalized their advocacy collaborative, the Suburban Health Care Alliance, through the appointment of Kevin Dahill as the dual CEO. Dahill says their advocacy group faced stiff opposition from the nursing home industry, but prevailed because the level of care provided in a hospital-based TCU is different from that offered at a nursing facility. TCUs provide interim care for Medicare beneficiaries whose acute conditions have been stabilized but who are not well enough to be discharged or transferred to a nursing home. Stays are a minimum of five days to a maximum of 21. – *Janine Logan, jlogan@nshc.org*

On the Federal Front . . .

Doc Pay Cut Averted, But Critical Policy, Funding Issues Remain

Although Congress approved and President Obama signed a 2.2 percent Medicare pay increase for physicians late in June, avoiding a previously legislated 21.2 percent Medicare physician pay cut, the fix is temporary and will be revisited in six months. Additionally, in the very near term, three other federal issues need resolution.

- FMAP extension
- Proposed rule to apply an additional 2.9 percent cut to 2011 Medicare inpatient reimbursement rates
- Meaningful use rule and its implication on hospitals seeking federal stimulus dollars for IT adoption

Representatives from the Nassau-Suffolk Hospital Council traveled to Washington DC July 15 to press for closure on these issues. The American Hospital Association led Advocacy Day was also coordinated by the Healthcare Association of New York State's Washington DC office.

Advocacy Countdown . . . As we head into August and the remaining weeks of the summer, we expect law makers on both the state and federal levels to hasten their efforts to finish the budget and other legislative business. Congress' resolution of the FMAP money is particularly important, as that decision will impact the state's work on New York's budget.

Additional role for Hospital Council CEO

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Doug Melzer, chair of the NSHC board of directors and president/CEO of Long Beach Medical Center on Long Island said, “The appointment of Kevin Dahill as CEO of NorMet is a strategically sound and welcome move that will benefit the 54 hospitals of the Suburban Health Care Alliance. He will provide unified leadership that will move hospitals in these two suburban regions to even more effective advocacy and collaboration.”

The Suburban Health Care Alliance is credited with advancing several of the managed care reforms that are now law in New York State. Most notably, the Alliance produced a landmark report *The Need to Rebalance Market Forces for New York Suburban Hospitals and Physicians* that revealed the disparity – 18 to 25 percent – in commercial reimbursements between New York hospitals and those found in the surrounding suburban communities of Connecticut and New Jersey. This document helped spur a movement among lawmakers, hospital administrators, and business leaders to make insurers more accountable, while enhancing consumer and provider protections.

Bob Savage, chair of the board of directors of NorMet and president of St. Francis Hospital in Poughkeepsie said, “Neil Abitabilo brought new energy and focus to the advocacy activities at NorMet. He did a terrific job of making NorMet a meaningful voice for hospitals throughout the Hudson Valley. Now his retirement offers us an opportunity to explore ways to make that voice even stronger. This alliance with the NSHC and HANYS, through the shared leadership that will be provided by Kevin Dahill, takes strengths of multiple organizations to exponentially enhance our voice to protect hospitals’ ability to serve their communities.”

Tool Helps Hospitals Recover Payments

HANYS Solutions, an affiliate of the Healthcare Association of New York State, has joined forces with Managed Care Advisory Group (MCAG) to help New York State hospitals maximize the amount of funding recovered under class action lawsuits disputing the accuracy of payment rates established and maintained by the Ingenix Database.

Class action settlements are being finalized with a number of insurance companies that reimbursed physicians based on usual, customary, and reasonable (UCR) standard payment data, information that was maintained by the Ingenix Database, a subsidiary of UnitedHealthcare. In January 2009, UnitedHealthcare settled for \$350 million in litigation that charged United with underpaying provider out-of-network claims, thus increasing patients’ out-of-pocket costs for out-of-network care. Parallel litigation is ongoing with other insurance companies that also used Ingenix Database to calculate UCR payments. MCAG works purely on a contingent fee basis. For more information about MCAG go to www.mcaginc.com and for more information about HANYS Solutions go to www.ehanys.com.

Recent Activities . . .

Vendor Management Tool Featured . . . at the July 16 meeting of the Nurse Executives Committee, Jeanine Bondi, managing director of Ringo LLC presented Ringo’s vendor management software, a user-friendly platform for the administration of labor procurement. The software is highly customizable for individual institutions’ needs, and provides tools for the entire process, from the initial requisitions through billing and reporting. The platform can also be adapted for float pool administration and other procurement and contracting purposes. Ringo’s software is offered to hospitals as part of the Hospital Council’s business partnership with Lloyd for IT

Member Hospitals

- Brookhaven Memorial Hospital Medical Center
- Catholic Health Services of Long Island
 - Good Samaritan Hospital Medical Center
 - Mercy Medical Center
 - St. Catherine of Siena Medical Center
 - St. Charles Hospital
 - St. Francis Hospital
 - St. Joseph Hospital
- East End Health Alliance
 - Eastern Long Island Hospital
 - Peconic Bay Medical Center
 - Southampton Hospital
- Long Beach Medical Center
- John T. Mather Memorial Hospital
- Nassau University Medical Center
- North Shore-Long Island Jewish Health System
 - Franklin Hospital
 - Glen Cove Hospital
 - Huntington Hospital
 - North Shore University Hospital
 - Plainview Hospital
 - Southside Hospital
 - Syosset Hospital
- Stony Brook University Hospital
- Veterans Affairs Medical Center – Northport
- Winthrop South Nassau University Health System
 - South Nassau Communities Hospital
 - Winthrop-University Hospital

staffing, education, and consulting. Contact Wendy Darwell at 631-963-4152 or wdarwell@nshc.org for more information.

Updated Health Care Career Guide . . . is now available from NSHC for a nominal fee of \$4 per book to cover production costs. Supplies are limited. To order contact Janine Logan at jlogan@nshc.org.

St. Joseph Hospital (formerly New Island Hospital) . . . joined the Catholic Health Services of Long Island network officially in June. The hospital's correct website is www.stjosephhospitalny.org. It was incorrectly listed in the June issue of Progress Notes.

Great Prostate Cancer Challenge of 2010 . . . takes place Sunday, November 14 at 8 a.m., Town of Oyster Bay Golf Course, Woodbury. Event coordinated by Integrated Medical Foundation. More info go to www.IMFCARES.com

NSHC Committee News ...

Communications Committee . . . presented its yearly update to the NSHC board of directors on Thursday, July 29. Committee Chair Terry Lynam, vice president of public relations for the North Shore/LIJ Health System, emphasized the committee's intent to work more proactively with Long Island media on hot button issues such as H1N1 flu vaccination, patient safety and care quality, and impact of health care reform. He summarized the committee's activities to date in these and other areas and reiterated the collaborative role between the committee and communications efforts of the Hospital Council.

Corporate Compliance . . . held its third quarter meeting on July 27 at which Wendy Darwell, NSHC Chief Operating Officer, briefed the group on OMIG and RAC audit activities, pending malpractice legislation, and several regulatory issues regarding physician reimbursements. The group also discussed the proposed IRS regulations on hospital charity care policies.

Nurse Executives . . . met on July 16 and agreed on a final draft of a universal hospital orientation curriculum. The curriculum, a long-term project of the committee, is intended to shrink the amount of time that students spend in orientation activities instead of clinical activities. The nursing schools agreed to incorporate the orientation program into their curriculae and to provide an attestation that each nursing student has completed the course and passed the test. In return, the CNOs agreed that student orientation will be limited to the necessary hospital-specific instruction. It is the committee's intent that the curriculum be reviewed annually and updated if necessary. The group also discussed hospitals' efforts to comply with the nurse staffing disclosure law and student vaccination policies.



Mark Your Calendar for NSHC Events in August/September

- Aug 13 Revenue Cycle committee, 12:30 p.m.
- Aug 20 Human Resources committee, 9 a.m.
- Sept 8 Finance committee, 8 a.m.
- Sept 14 Nurse Managers committee, 12:30 p.m.
- Sept 17 Nurse Executives committee, 1 p.m.

*Meetings for NSHC members only and are held at the Hospital Council office in Hauppauge unless otherwise noted. To register/info call: 631-963-4153.

Upcoming Events . . .

August 9 . . . UnitedHealthcare Briefing co-hosted by the Hospital Council and HANYS at Council offices in Hauppauge. Will offer update on UnitedHealthcare's admission notification and quality improvement initiatives. Register at http://www.hanys.org/events/?event_id=310.

September 23 . . . **6th Annual Wine Dinner**, supporting the Blue Ribbon Task Force for Health Care Reform, at the Tappan Hill Mansion in Tarrytown. Kevin Dahill to keynote. Honoree is Neil Abitabulo. For tickets and information call 914-948-6740. Event sponsored by NorMet.



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*The collective voice of Long Island's
not-for-profit and public hospitals.*