

eProgress Notes . . . February 2011

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.

Medicaid Redesign Team Presents Recommendations

Payment and program reform proposals achieve \$1.6 billion of total savings target

Taking a vote five days ahead of schedule, the Medicaid Redesign Team (MRT) offered the governor on Thursday, February 24, 2011, a list of 79 recommendations that will cap Medicaid spending to achieve savings, transform the delivery of Medicaid, and begin medical malpractice reform. The hospital industry will contribute about \$531 million to achieve savings of \$1.6 billion outlined by the team's package. The \$1.6 billion is short of the state's \$2.3 billion in target savings, a figure reduced yet again from the original \$2.85 billion in savings that the state initially sought. The adjusted target resulted when the budget department lowered enrollment and utilization projections.

For the hospital industry, the elimination of the trend factor and a two percent across-the-board rate cut, while never good news, is an improvement over the massive cuts the industry was facing under the state's original mandate to cut Medicaid spending by 10 percent. "We knew there would be some level of cuts," said Kevin Dahill, president/CEO of the Hospital Council. "What this package of reforms does is save billions of dollars while improving services to the one in four New Yorkers covered by Medicaid."

The MRT's package advances most of the priorities the hospital industry supported, including better care coordination for high-cost Medicaid populations, much greater enrollment in managed care and managed long-term care, expansion of palliative care, and better management of pharmacy costs. Malpractice reform measures include creating a neurologically-impaired infant medical indemnity fund and establishing a cap on non-economic damages.

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The remaining \$640 million in savings needed to meet the target would be achieved through a new voluntary health care cost-containment initiative. Providers would have the flexibility to find ways to achieve savings that best meet their needs. If savings were not achieved, the state could impose policies to achieve the savings. Likewise, if savings exceed the target, the state would share these with providers.

It is likely that the governor's 30-day budget amendment due March 3 will incorporate the MRT's recommendations. This revised budget will be presented to the legislature, which will then work to finalize a budget, hopefully by the April 1 deadline. In the meantime, many areas of the MRT's plan will be subject to further review and discussion through a workgroups process. The hospital industry will take part in these workgroups. – Janine Logan, jlogan@nshc.org.

Affordable Care Act Remains under Scrutiny

Almost one year after President Obama signed the sweeping health care reform bill, some parts remain subject to review while other measures are already in place. The constitutionality of the law's individual mandate has long drawn criticism as a mechanism that interferes with the commerce clause and, more recently, states have become more vocal about their flexibility with the Medicaid program.

At a recent meeting of governors, President Obama indicated that he supports a bipartisan congressional proposal to move up the date when states could opt out of the health care law, as long as they show they have met the law's goals – that all residents of a state have access to high quality, affordable health insurance, consumer protections are preserved, and the federal deficit is not raised. Beginning in 2017, the Affordable Care Act (ACA) allows states the flexibility to receive a State Innovation Waiver so they can pursue their own strategies for coverage and access within the parameters of the law.

The current bipartisan measure would make waivers available three years earlier than under the ACA. Some states argue that without an earlier date for this waiver, states would set up one health care system in 2014 only to devise a second one in 2017, if they wanted a waiver.

Some of the more popular provisions of the ACA already in place include annual well visits for all Medicare beneficiaries at no co-pay, extension of insurance to adult children up to age 26, and no lifetime and annual limits on insurance to name a few.

However, the law's constitutionality remains questionable, as law suits continue to make their way through the lower courts and perhaps onto the Supreme Court. Most recently, a Florida judge deemed the law unconstitutional but fell short of suspending the law, pending appeals.

In Congress, the Republican-controlled House of Representatives voted to repeal the law, then included numerous defunding amendments in an Omnibus Resolution bill passed in February. The Senate and president will not support these actions, so the law remains. – Janine Logan, jlogan@nshc.org.

Hospital Council Partnership Helps Hospitals' IT Needs

The Nassau-Suffolk Hospital Council and its partner, Melville-based Lloyd IT, are prepared to meet the needs of member hospitals and their physician communities as they make the transition to meaningful use of electronic health records. We have developed a range of services, including resource assessments, document management, recruitment, temporary staffing and a training academy, that are available to Council members under a reduced fee structure. For more information, contact Wendy Darwell, NSHC's chief operating officer, at 631-963-4152 or wdarwell@nshc.org.

News Briefs . . .

Community Health Improvement Award Nominations . . . are now being accepted by the Healthcare Association of New York State. The award recognizes outstanding initiatives by members to improve the health and well-being of their communities. All HANYS members are eligible to apply. Go to www.hanys.org/awards/chia.cfm to apply. Questions: call Sue Ellen Wagner 518-431-7837. Deadline: March 14, 2011.



Mark Your Calendar for NSHC Events in March

- Mar. 8 Nurse Managers Committee, 12:30 p.m.
- Mar. 10 NSHC Board of Directors, 8 a.m.
- Mar. 15 Finance Committee and ICD-10 Briefing, 8 a.m.
- Mar. 18 Nurse Executives Committee, 2 p.m.
- Mar. 22 NYPORTS Committee, 10 a.m.
- Mar. 23 Wage Index education Session, 10 a.m.
- Mar. 25 NSHC Legislative Briefing, 10 a.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.

Pinnacle Award for Quality and Patient Safety Nominations . . . presented by HANYS recognize members' achievements in quality improvement and patient safety. A nomination template and brochure containing the award criteria, guidelines, and application requirements are available online at www.hanys.org. All nominations must be e-mailed to pinnacleaward@hanys.org by March 18.

Helpful Tools from CMS . . . include the recently launched Electronic Health Record (EHR) Information Center to assist health care providers with general questions about system and program issues related to the Medicare and Medicaid EHR Incentive Payment Program. It's open Monday through Friday 8:30 a.m. to 5:30 p.m. at 888-734-6433 and 888-734-6573 (text for the blind). The CMS also recently launched an enhanced physician directory site, www.medicare.gov/find-a-doctor. Later this year, as required by law, CMS will begin posting on this site the quality-of-care data it already collects through Medicare's Physician Quality Reporting System.

Suburban Hospital Alliance . . . appointed **Janine Logan** its director of communications for the two regions that the Alliance serves, Long Island and the Hudson Valley. The Suburban Hospital Alliance is the joint advocacy arm of the Northern Metropolitan Hospital Association (NorMet) and the Nassau-Suffolk Hospital Council (NSHC). Janine will direct media relations and member communications for the NorMet member hospitals in



addition to her role as communications director for NSHC. She is the primary point of contact for all media inquiries for both associations. She has been director of communications for NSHC since 2002.

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.

Notable Upcoming Events . . .

March 15: ICD-10 Briefing, NSHC, 9:30 – 11:30 a.m.

A special educational presentation on the transition to ICD-10 billing codes, which was cancelled due to inclement weather in January, has been rescheduled for Tuesday, March 15. The Deloitte and Touche program is designed to provide a high-level overview of ICD-10's challenges and benefits, impacts on providers, and the work steps necessary to prepare for implementation. The briefing will start immediately after that morning's Finance Committee meeting. For more information or to RSVP, contact Lillian Curry at 631-963-4153 or lcurry@nshc.org.

March 23: Wage Index Education Session, NSHC, 10 a.m. – 12 noon

Tracey Roland of The Reimbursement Alliance, NSHC's Medicare wage index data auditor, will give a presentation to reimbursement directors and other designated staff that will include wage index results impacting the Medicare reimbursement rate for the 2012 fiscal year and common findings and recommended areas of continued focus.

March 25: NSHC Briefing for State Legislators, 10 a.m. – 12 noon

The Hospital Council and the Healthcare Trustees of New

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

York will host a briefing for the Long Island state legislative delegation, our annual event to foster an open discussion of state budget and other legislative issues with our local representatives. CEOs and trustees should contact Denise Avolese at 631-963-4151 or davolese@nshc.org for more information.

April 10 – 13: AHA Annual Membership Meeting, Washington, DC

The American Hospital Association will host its annual members meeting from April 10 – 13 at the Washington Hilton in Washington, DC. Registration information is available at <http://www.aha.org/aha/advocacy/annual-meeting/11-schedule.html>.

May 19 – 20: HANYS/HBS Annual Human Resources Conference, Verona, NY

Save the dates for the 2011 Conference for Human Resource Leaders at the Turning Stone Resort in Verona. HANYS and HANYS Benefit Services will offer an informative and insightful program, tackling emerging issues facing human resource professionals and providing valuable information for you to apply in your organization. Additional program details will be provided soon.

NSHC Committee News ...

Finance: At the committee's February 9 session, HANYS leadership presented the governor's budget proposal and its implications for Medicaid reform. Ms. Darwell reported on the federal budget negotiations, and the congressional delegation's efforts to secure an extension of New York's F-SHRP Medicaid waiver, which funds capital projects for hospitals through the HEAL-NY grant program.

Human Resources: The February 18 meeting featured lengthy discussions about the implications of the recently-enacted Wage Theft Prevention Act, which requires annual disclosures of certain wage information to employees, and a January advisory opinion issued by the state Department of Labor that changes the definition of the kinds of salary deductions that are considered permissible. Ms. Darwell reported on regulatory changes affecting retirement plan fee disclosures and medical staff credentialing and Cynthia Levernois of HANYS summarized the state and federal budget processes.

Nurse Managers: On February 8, the Nurse Managers Committee's educational program was provided by Sinead Suszczynski, RN from St. Catherine of Siena Medical Center on "Perinatal Mood Disorders and the Role of the RN."

Revenue Cycle: The committee devoted much of its February 11 meeting to a discussion of more than a dozen claims processing errors that were triggered by a CMS system update on January 1. Ms. Darwell also provided updates on the Medicare RAC's resumption of medical necessity reviews, the implementation of the PECOS physician enrollment system, and recently-enacted legislation exempting certain providers from compliance with the FTC's "Red Flags" identity theft detection and deterrence regulations.

Check Our Website for Up- to- date Scheduling Information: The freshly redesigned Hospital Council website now offers an updated calendar of committee meetings and other events. www.nshc.org.



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*The collective voice of Long Island's
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