

Progress Notes January 2012

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

Progress 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.

State Budget Process Begins, Hospitals Combat Myth that Rates Will Increase 4%

Governor Cuomo's 2012 -2013 proposed budget released on January 17, 2012 would allow total Medicaid spending to grow by four percent, as agreed upon in last year's two-year deal, but hospital reimbursement rates would remain flat. This increase in spending is mostly consumed by the state's continued growth in Medicaid enrollment, which increased by more than 100,000 enrollees over the past year.

The executive budget proposal continues the two-year Medicaid reimbursement cuts and spending cap enacted as part of last year's budget. That translates into a loss of millions for the upcoming state fiscal year to hospitals on Long Island on top of the \$8.8 million in Medicaid cuts absorbed by these hospitals, as a result of last fiscal year's two percent rate cut.

In addition to continuing the global spending cap, the far-reaching oversight powers granted to the health commissioner should the cap be pierced also remain in place. The 2012 -2013 current fiscal year cap is \$15.9 billion; that would grow to \$16.6 billion the next fiscal year. So far, monthly global Medicaid spending reports from the state have remained under the cap. The November 2011 report shows spending at \$4.4 million (less than 0.1%) below expenditure projections for April through November 2011.

The establishment of a New York State Health Benefit Exchange is also included in the executive budget proposal. The governor's budget language reflects the Health Insurance Exchange agreement negotiated between the Assembly and the Senate last spring, which passed the Assembly but was not acted upon by the Senate. New York must have the Exchange framework in place by January 2013 and the U.S. Health and Human Services secretary must approve it. Otherwise, the Affordable Care Act allows the federal government to operate the state's exchange. New York must also have Exchange legislation in place in order to draw down additional federal funding.

Hospital Council leadership is working with the Healthcare Association of New York State to more finely review the governor's budget document. More details about the components of the budget and specific advocacy action will follow. – *Janine Logan, jlogan@nshc.org*.

New York State Budget Briefing

Thursday • February 9, 2012 • 9:00 a.m. to 11:00 a.m.

NSHC Offices in Hauppauge

Learn more about policy recommendations in budget, plus discussion of related issues: ***CON Reform • Tort Reform • MTA Tax Repeal***

Reserve your seat. Contact lcurry@nshc.org call 631-963-4153 by Feb. 6

See page 2 . . . Report from Suburban Hospital Alliance of New York State, LLC and its meetings with legislators in Albany

Group Protects Specific Concerns of Suburban Hospitals

Members of the Suburban Hospital Alliance of New York State, LLC (SHANYS) met with lawmakers and health department officials January 23 and 24, 2012 in Albany. The group of administrators from hospitals in the NorMet secured meetings with key Nirav Shah, the state health emphasized to them the hospitals in suburbia. These of Need (CON) reform, more repeal of the MTA employer establishment of State Health



region, as well as Long Island, legislators, as well as Dr. commissioner, and unique concerns that face include additional Certificate meaningful TORT reform, tax on hospitals, and Insurance Exchange.

The Suburban Hospital Alliance was formed in 2006 by the Northern Metropolitan Hospital Association and the Nassau-Suffolk Hospital Council to ensure specific concerns of suburban hospitals were heard by lawmakers in Albany and Washington. In late 2011, it formalized its standing and became known as the Suburban Hospital Alliance of New York State, LLC.



On the Assembly floor are some members of the Suburban Hospital Alliance of New York State, LLC (SHANYS). From left: Joseph Quagliata (South Nassau Communities Hospital, Oceanside, NY); John Collins (Winthrop-University Hospital, Mineola, NY); Kevin Dahill (SHANYS); David DeCerbe (Catholic Health Services of Long Island); Drew Pallas (St. Joseph Hospital, Bethpage, NY); Brian Currie (Long Island Health Network); David Lundquist (HealthAlliance of the Hudson Valley); Wendy Darwell (SHANYS); Anthony Mahler (Westchester Medical Center, Valhalla, NY) Sheila D' Nodal MD (South Nassau Communities Hospital); David Ping (Health Quest); Douglas Melzer (Long Beach Medical Center, Long Beach, NY); William Dauster (Hudson Valley Hospital Center, Cortlandt Manor NY); and Angela Skretta (SHANYS).

Health Care News from Washington DC

State of the Union: President Barak Obama's State of the Union address presented to Congress and the nation on Tuesday, January 24, 2012 did not include any new information about health care and reform. He did indicate, however, that he is open to working with Congress to reform entitlement programs, as long as beneficiaries continue to receive the same level of services and benefits.

Physician Pay Cut: The "doc fix" still needs fixing and a congressional panel has been charged with trying to develop a long-term solution to the looming 27 percent physician pay cut that will take place March 1, 2012. Late in December, Congress approved a two-month reprieve from the pay cut, which would have occurred January 1. Also included in Congress' short-term package, known as the Temporary Payroll Tax Cut Continuation Act of 2011, was an extension of unemployment insurance and the Social Security payroll tax holiday. House members returned to Washington, DC on January 17 and Senate members returned January 23. Senator Charles Schumer is taking a lead in urging Congressional conferees to reject hospital cuts to fund the "doc fix."

Medicare Payment Advisory Commission (MedPAC): The actions of this independent body are of concern to hospitals because the commission's recommendations could be taken into consideration by the congressional panel that is looking for a solution to the physician pay cut and ways to fund that solution. Earlier this month, MedPAC recommended a new inpatient coding offset and a drastic reduction in Medicare reimbursement to hospital outpatient departments for common clinic "evaluation and management" services.

Public Information Campaign Distills Complexity of Health Care Reform in Simple Format

LI hospitals commit to helping communities grasp nuances of the law

With the federal health care reform law due to celebrate its second anniversary this March, opinion polls and research centers continue to report that many Americans still do not understand the law. That's why the Nassau-Suffolk Hospital Council (NSHC), through the work of its Communications Committee, launched on Monday, January 23, 2012, a public information campaign "*The ABCs of Health Care Reform and You.*"

ABC's of Health Care Reform and You

Brought to you by the hospitals on Long Island

Web-based and social media driven, the campaign imparts basic information about the Affordable Care Act (ACA) and reform as it relates to a variety of population segments – uninsured, young adults, seniors/disabled, chronic disease sufferers, children, adults under 65, businesses and owners. It applies the ABCs of health care reform to each of these groups, exploring **A** for Access, **B** for Benefits, and **C** for Costs.

"It is important to us to help not only our hospital members, but the general public gain a relatable understanding of the law as it affects them now and in the near future," said Wendy Darwell, chief operating officer for the NSHC. "Health care is very much on the minds of everyone. A better understanding of the ACA leads to more informed health care decisions."

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

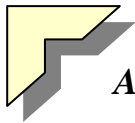
Winthrop-South Nassau University Health System

- South Nassau Communities Hospital

- Winthrop-University Hospital

Go to www.nshc.org and click on the *ABCs of Health Care Reform and You* icon to access information. Links to animated videos, research reports, and other helpful materials can be accessed from the site. In addition, each hospital on Long Island maintains a link through their hospital's website to the ABC campaign page. Information will be updated, as parts of the law go into effect.

Visitors to the site are encouraged to spread the helpful information by checking NSHC tweets (@hospitalcouncil) and then re-tweeting the information. **The Hospital Council's Facebook page** also carries information about the campaign.



The Quality Corner

An update on quality reporting measures

Mary Jane Milano, Director of Education and Quality

Medicaid Quality Measurement Program: On December 26, 2011, the Department of Health and Human Services (HHS) issued a final notice announcing an initial set of 26 quality reporting measures for Medicaid-eligible adults for voluntary use by state Medicaid agencies. Included in this set are measures covering prevention and health promotion, management of acute and chronic conditions, care coordination, family experiences of care and availability, The Patient Protection and Affordable Care Act required HHS to establish by January 1, 2012 a Medicaid Quality Measurement Program to fund

development, testing and validation of evidence-based measures. CMS plans to release by September 2012 technical specifications as a resource for states that seek to voluntarily collect and report the initial core set of quality measures. By January 1, 2013 the agency will issue guidance for submitting the initial core set in a standardized format.

The HANYS Diabetes Campaign, sponsored by the New York State Health Foundation, has been awarded a third grant to continue its work through the end of March 2013. This grant allows providers to benefit from new chronic care management resources for primary care clinics and offices. The campaign provides technical support including application costs for the National Committee for Quality Assurance Diabetes Recognition Program and will provide chart abstraction assistance as well.

The Joint Commission's Patient-Centered Communications Standards go into effect July 2012. The Joint Commission issued a free monograph entitled "Advancing Effective Communication, Cultural Competence, and Patient-and Family- Centered Care: A Roadmap for Hospitals" which provides recommendations to help hospitals address unique patient needs and meet and exceed compliance with the patient-centered communication standards.

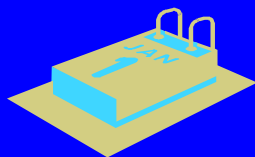
Medicare Payment Advisory Commission directed the Health and Human Services secretary to implement a value-based purchasing program for Ambulatory Surgery Centers (ASCs) no later than 2016. Earlier in January, the agency recommended a 0.5 percent update for ambulatory surgery centers (ASC) in calendar year 2013. Although hospital inpatient quality reporting was mandated by Congress in 2003 and hospital value-based purchasing will affect hospital inpatient payment in federal fiscal year 2013, quality

reporting for ASCs will start October 1, 2012 and affect payment decisions for the calendar year 2014.

Quality News and Quality Web Page both debuted in January. The newsletter and dedicated web page are value-added services for members. Both are resources that provide in-depth analysis and reporting of what is new in the quality and performance improvement sector. Check out the newsletter and web page at www.nshc.org/quality.

News Briefs . . .

Healthcare Trustees of New York State . . . elected **John Lane, a trustee at Winthrop-South Nassau University Health System, as chairman.** He will serve a one-year term. Other trustees from Long



Mark Your Calendar for NSHC Events in February

- Feb. 2 Executive Committee,
8:00 a.m.
- Feb. 8 Finance Committee,
8:00 a.m.
- Feb. 9 HANYS Budget Briefing,
9:00 a.m. – 11:00 a.m.
- Feb. 10 Revenue Cycle
Committee, 12:30 p.m.
- Feb. 14 Nurse Managers,
12:30 p.m.
- Feb. 15 Quality/NYPORTS
Committee, 10:00 a.m.
- Feb. 17 Human Resources
committee, 9:00 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.

Island serving on the 2012 board of governors are **Neboysa R. Brashich, Eastern Long Island Hospital** and **F.J. McCarthy, North Shore-LIJ Health System.**

CMS Innovation Advisors Program . . . selected **St. Catherine of Siena Medical Center's Program Coordinator/Performance Improvement Coordinator Diane Curley, MSN, RN**, as an innovation advisor. Curley is one of only 73 individuals from 27 states and the District of Columbia participating in the CMS Advisors Program. The initiative will help health professionals deepen skills that will drive improvements to patient care to reduce costs.

Top Leaders Under 40 . . . were selected by Long Island Business News and include the Hospital Council's very own **Stacy Villagran, Director of NSHC's Facilitated Enrollment Program**. Villagran has led this program since 2000 and to date she and her staff have completed nearly 50,000 applications, representing 35,000 children and 15,000 adults. Other hospital leaders named to the list included **Jennifer Mandel, Emergency Preparedness Performance Improvement Coordinator, South Nassau Communities Hospital.**

Committee News ...

Communications Committee: On Friday, January 20, 2012 at the Melville Marriott the Communications Committee held its annual "Meet the Media" luncheon. Among media representatives present from the local area were Frank Eltman, Long Island Correspondent for the Associated Press and Beth Whitehouse, reporter for Newsday. Wendy Darwell, COO for the Hospital Council, offered an update on the Affordable Care Act. This followed with the official unveiling of the "ABCs of Health Care Reform and You," the public information campaign sponsored by the Hospital Council and its Communications Committee. The web-based campaign seeks to distill the complexity of health care reform in a simple way and position Long Island's hospitals as the "go to" experts for practical information about the law and its affect on patients and their families. Member hospital websites are linked to the campaign. Go to www.nshc.org and click on the ABC icon for more information.


**ABC's of
Health Care Reform
and You**

Brought to you by the hospitals on Long Island

Finance Committee: At its January 11 meeting, the Finance Committee was briefed on the recommendations of the Medicaid Redesign Team and expectations for the governor's 2012-13 budget proposal. The committee also discussed at length the Medicare Recovery Audit Contract Program, and Wendy Darwell, COO of the Hospital Council, updated the group on status of federal action to stave off a reduction in physician reimbursement rates. NSHC's wage index auditor, Tracy Roland of The Reimbursement Alliance, reported on the findings of the annual audit process.

Nurse Executives: The committee was introduced on January 18 to Mary Jane Milano, who reported on the Council's newly formed Quality Committee, the New York State Partnership for Patients Initiative, and the differences between the Joint Commission and DNV hospital survey processes. She also distributed the Council's Compendium of Quality Measures, a crosswalk of state, federal, and accrediting agency reporting requirements. Wendy Darwell presented on the impact on Medicare reimbursement of the HCAHPS' patient satisfaction survey.

Corporate Compliance: The January 31 meeting of the Corporate Compliance Committee included extensive discussion of Medicaid Redesign Team and Executive Budget proposals that would grant increased authority to the state over hospital boards and executive compensation. Wendy Darwell and NSHC general counsel Mark Thomas also briefed the committee on Medicare RAC activity and other audits.



NASSAU-SUFFOLK HOSPITAL COUNCIL
1383 Veterans Memorial Highway, Suite 26
Hauppauge, NY 11788 • (631) 435-3000
www.nshc.org
*The collective voice of Long Island's
not-for-profit and public hospitals.*