

Progress Notes April 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.

Fight to Protect Hospitals Continues in Washington

Hospital advocates are wasting no time reminding federal law makers about budget and policy decisions that the nation will face as we head into election season this fall. At year's end, the Bush tax cuts will expire, the Social Security Payroll Tax holiday ends, and a fix, hopefully permanent, for the physician Medicare payment formula comes due. Otherwise, the nation's doctors will face a steep pay cut. Hospitals remain highly vulnerable to additional cuts to offset any "doc fix."

Additionally, sequestration cuts to Medicare, that were triggered last fall by the Super Committee's failure to reach a deficit reduction agreement, kick in January 2013. Hospitals on Long Island will face a two-percent across-the-board cut in Medicare reimbursements. Moreover, there will be increased pressure to shift more cuts away from defense and over to Medicare.

"Our efforts to protect the region's hospitals must continue full force. Delivery and system reforms and hospitals' vulnerability to further cuts will also move ahead. These will happen despite the outcome of the Supreme's Court's decision regarding the Affordable Care Act," said Kevin Dahill, president/CEO of NSHC. – *Janine Logan*, jlogan@nshc.org.

NSHC/HANYS' Federal Briefing/Congressional Reception

Tuesday, May 8, 2012
Washington DC

Afternoon Feature: *Catherine Stetson, Partner, HoganLovells and Co-Director of firm's Appellate practice group.* She is the counsel of record for two friend-of-the-court briefs filed with the U.S. Supreme Court on behalf of the American Hospital Association and other hospital groups.

Early Evening Feature at 5 p.m.: Reception for New York State Congressional Delegation. This is an ideal opportunity to meet informally with your members of Congress.

Evening Dinner: For NSHC/HANYS' members follows at 6:30 p.m. at Charlie Palmer Steak.

To register go to: www.HANYS.org. Questions: call 631-963-4151

With Health Exchange Order in Place, Hospitals Maintain Legislative Watch

Governor Cuomo's recent executive order for establishing New York's health care insurance exchange puts the state on track to comply with the federal Affordable Care Act (ACA) and allows the state to apply for additional funding from the federal government, as the state moves forward with the exchange's structure. Hospital leaders will monitor the development of the exchange framework in the coming months, while keeping a close eye on legislative actions regarding such issues as medical malpractice, board governance and executive compensation, staffing/workforce developments, and disproportionate/indigent care, during the remaining weeks of New York's legislative session.

The exchange will operate under the Department of Health in consultation with the Department of Financial Services and other agencies. Governor Cuomo's order calls for the organization of regional advisory groups consisting of consumer advocates, health care providers, insurers, and unions. The order did not set a deadline for the exchange to be operational, but most believe it should be ready for business sometime next year. The ACA requires any state that chooses to operate its own exchange to be ready to accept applications by October 1, 2013 and fully operational by January 2014. If the state had not taken this step to create an exchange, then the federal government would have established one for the state. Such an exchange might not have met the unique health care needs of New York and would have caused the state to lose out in millions in federal grants.

The state health insurance exchange will allow small businesses and individuals to shop competitively for affordable health care insurance. Even if the ACA and/or the individual mandate piece are struck down by the Supreme Court, the state exchanges can remain. About one million New Yorkers are without health insurance.

Other legislative issues on the radar include: **Medical malpractice** – several proposals on the table do nothing to mitigate exorbitant insurance costs or

meaningfully reform New York's current medical liability crisis. NSHC leadership continues to work closely with state legislators to address the unpredictability of New York's tort system.

Board Governance/Executive Compensation – remains a sensitive issue in the health care industry. Governor Cuomo recently extended the deadline to May 16, 2012 for development of proposals by state agencies related to implementation of his order on limiting executive compensation at not-for-profits that receive state funds. NSHC leadership, in cooperation with HANYS

leadership, continues to work with the governor's office and state agencies to arrive at a reasonable and rational policy. We are also on guard against efforts by the Legislature to revive the governor's proposals to exert control over hospital boards.

Staffing/Workforce – one current proposal is aimed at clarifying the role of nurse practitioners and seeks to ensure that they are

allowed to practice to the full extent of their education and training, particularly in the area of diagnoses and treatment. With a worsening primary care physician shortage and more patients expected as a result of federal reform, the nurse practitioner and his/her skill set are in great demand. Another measure seeks to create specific staffing ratios for nurses and other direct-care staff in hospitals and nursing homes. This is an unfunded mandate. Mandated staffing levels do not account for individual patient patterns or volume among the variety of hospitals and varied services they offer.

Disproportionate/Indigent Care – remains a highly sensitive issue. New York must be brought into compliance with changing disproportionate share (DSH) funding rules that are occurring as a result of the ACA, in order to ensure that the state optimizes federal funding. Consumer advocates are using this legislative opportunity to advance proposals that would put additional charity care burdens on hospitals. – *Janine Logan, jlogan@nshc.org*.

A recent study by the Commonwealth Fund found that more than a quarter of adults ages 19 to 64 in the United States lacked health insurance in 2011. About 70 percent of these individuals had been without coverage for more than a year.

ACOs Take Flight

Under the Medicare Shared Savings Program, 27 Accountable Care Organizations (ACOs) have entered into agreements with the Centers for Medicare and Medicaid Services (CMS). Five of the ACOs selected by CMS are located in New York State. ACOs hold the promise of improved care and cost savings. In this care delivery arrangement, ACOs take responsibility for the quality of care furnished to Medicare beneficiaries in return for the opportunity to share in savings realized through improved care. The first 27 Shared Savings Program ACOs will serve an estimated 375,000

beneficiaries in 18 states. Patient-centered, better coordinated care is at the heart of the ACO model, which brings together multiple levels of care offered by a variety of providers. The goal is to eliminate fragmentation, duplication, and miscommunication. ACOs must meet strict quality standards. For 2012, CMS has established 33 quality measures relating to care coordination and patient safety, appropriate use of preventive health services, improved care for at-risk populations, and the patient and caregiver experience of care.



The Quality Corner

An update on quality reporting measures

Mary Jane Milano, Director of Quality and Education

Medicare Spending Per Beneficiary: On April 19th, the Centers for Medicare and Medicaid Services (CMS) added the first data from the new Medicare spending per beneficiary measure to the Hospital Compare website. The “Spending per Hospital Patient with Medicare” measure shows whether Medicare spent more (>1), less (<1) or about the same (1) as the national average per episode of care for patients treated at a specific hospital. The measure includes any Medicare Part A and Part B payments for services provided to a patient three days prior to a hospital stay, during the hospital stay, and 30 days after discharge from the hospital. The Medicare Spending Per Beneficiary Measure is not currently scheduled to be part of the Hospital Value-Based Purchasing (VBP) program. Medicare requires a measure to be reported on Hospital Compare at least one year before it can be incorporated into Medicare’s VBP.

Avoid Payment Penalty, Complete CMS Quality Reporting Requirements by May 15th. Each year hospitals participating in CMS’ Hospital Inpatient Quality Reporting (IQR) program must answer four questions or face a significant payment penalty. Failure to answer the four questions by May 15, 2012 will result in a 2.0 percent reduction in your operation’s annual payment update for FFY 2013. The questions relate to whether or not your hospital participates in three clinical registries: one for cardiac surgery, one for stroke care, and one for nursing sensitive care, and one attesting that the data submitted to CMS as part of the IQR program is accurate to the best of your knowledge. (Note: Your hospital is required only to report whether or not it participates in each of these registries and does not have to be using a registry by May 15, 2012.)

National Donate Life Month: National Donate Life Month was celebrated in April, but awareness about this vital component of the health care continuum is a priority each and every day. Nearly 9,700 New Yorkers are waiting for an organ transplant. Last year, only 1,298 organs from deceased donors were transplanted statewide. *Hospitals are encouraged to distribute informational material about donation at board meetings, community events, and within their health care organizations throughout the year.* Free materials are

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

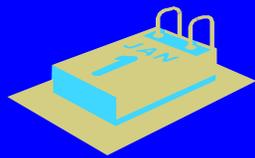
- South Nassau Communities Hospital
- Winthrop-University Hospital

available from the New York Organ Donor Network (NYODN) at www.donatelifeny.org. NYODN is the organ procurement organization servicing hospitals in lower New York State and Long Island. It takes part in *Donate Life America*, a not-for-profit alliance of national organizations and state teams across the United States committed to increasing the number of registered donors. *Donate Life America* recently launched a new initiative, “20 Million in 2012,” which is geared toward radically increasing the number of people registered on state donor registries. The American Hospital Association is a partner with the U.S. Department of Health and Human Services, Health Resources and Services Administration’s *Workplace Partnership for Life (WPFL)* campaign, a donor registration endeavor. It encourages donor registration within hospitals and their local communities. The New York State Department of Motor Vehicles and State Health Department recently announced that New Yorkers can now easily enroll in the State’s Organ and Tissue Donor Registry online through <https://my.dmv.ny.gov/crm/>. For more information on how NYODN can help you implement these programs in your hospital and community, please contact Margaret Gallagher at 646-291-4445, mgallagher@nyodn.org.

National HealthCare Decisions Day: This day of awareness occurs every year on April 16. Hospitals and all health care providers can take a lead role in ensuring that both staff and patients are aware of health care proxy forms and advance care directives. For more information, go to www.nhdd.org.

Hospitals Await Supreme Court Decision on ACA

For three days last month, justices of the Supreme Court heard arguments for and against the Affordable Care Act (ACA). The ACA became law in 2010. In question is the law’s mandate that every individual carry health insurance, as well as the law’s directive that states must expand their Medicaid programs to help close the gap of the nation’s uninsured. A decision is expected sometime in June.



Mark Your Calendar for NSHC Events in May

- May 3 Board Meeting, 8 a.m.
- May 8 Nurse Managers Committee, 12:30 p.m.
- May 9 Quality/NYPORTS Committee, 10 a.m.
- May 18 Meet the Legislative Aide, hosted by Communications Committee, 9 a.m.
- May 23 Nurse of Excellence Celebration
Crest Hollow Country Club
3 to 5 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.

News Briefs . . .

\$2000 Scholarship . . . is available to college juniors/seniors or post-graduate students who are studying journalism, communication arts, or health care administration. The Ann Marie Brown Memorial Scholarship honors the late Ann Marie Brown, who served as vice president for government and public relations for the Hospital Council from 1983 to 1993. The scholarship is administered by the Hospital Council’s Communications Committee and is for non-clinical study. **Filing deadline is May 18, 2012.** For more information and an application, go to www.nshc.org and click on programs or call 631-963-4156.

Healthcare Trustees of New York State (HTNYS) . . . is accepting nominations for its 2012 Trustee Leadership and Advocacy Award through May 14. Since 1985, HTNYS has honored exemplary trustees each in recognition of leadership and advocacy contributions to their health care organizations and communities. Formerly presented as two distinct awards for leadership and advocacy, this year the award has been combined into a single award. The nomination process has been simplified, and nominations will be received online only. Go to the HTNYS website for more information or contact Jennifer Carter at jcarter@hanys.org.

Auxiliaries Recognized . . . by the Healthcare Association of New York State include ***Council of Leagues of Mercy Medical Center, St. Charles Hospital Auxiliary, Winthrop-University Hospital Auxiliary, the Guilds of Good Samaritan Hospital Medical Center, Huntington Hospital Auxiliary, and the Auxiliary of North Shore University Hospital.*** These auxiliaries were recognized for their commitment of significant time and effort to serving as advocates for their health care facilities and communities during 2011.

Exceptional Cancer Care . . . distinction was earned by the Stony Brook University Cancer Center. It received its three-year Commission on Cancer of the American College of Surgeons accreditation as a Teaching Hospital Cancer Program in December 2011. The center is one of only 106 cancer programs in the United States that received the Outstanding Achievement Award.

Committee News ...

Joint Nurse Executives and Human Resources Committee Meeting: Members of these two committees met on April 18 to discuss the future of the nursing workforce. This productive session included guest briefings by Margaret Duffy, Associate Director of Nursing at Stony Brook University Hospital, on nurse staffing ratios, and by Patrick Coonan, Dean of Nursing at Adelphi University, on recruiting and retaining nurse managers.

Corporate Compliance Committee: Member of this committee met on April 24. The meeting included a briefing by NSHC counsel Mark Thomas on state proposals to wield increased oversight of hospital boards and limit executive compensation. NSHC chief operating officer Wendy Darwell gave a presentation on the Medicare and Medicaid rules for providing and seeking reimbursement for observation care.

Finance Committee: On April 25, wage index consultant Dale Baker presented an update on wage index litigation and a CMS report to Congress on reforming the system, which adjusts hospital reimbursement rates according to locality. The committee also focused on Medicare RAC audits and the provision of observation care.

ABC's of Health Care Reform and You

Brought to you by the hospitals on Long Island

For news and updates about the
Affordable Care Act go to www.nshc.org

Find out about **A**ccess, **B**enefits, **C**osts as
they apply to you and your
hospital now and in the future. . .

A public information campaign sponsored by the NSHC Communications Committee



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