

Progress Notes June 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.

Eastern Long Island Hospital CEO Named Chair of NSHC

Association holds annual meeting, educational event for members

Paul J. Connor III, CEO of Eastern Long Island Hospital in Greenport, officially took the helm as chairman of the board of the Nassau-Suffolk Hospital Council at the association's annual meeting held June 5, 2012 at Crest Hollow Country Club. Connor will serve a two-year term.

Connor's 34 years in hospital administration include posts as executive director of St. John's Episcopal Hospital, South Shore in Far Rockaway, Queens, and vice president of Interfaith Medical Center in Brooklyn. He currently serves as vice chairman of the Peconic Landing board of trustees and is a board member of the East End Health Alliance, the parent organization of Long Island's three East End hospitals.

A member of the American College of Healthcare Executives, Connor has served as Eastern Long Island Hospital's leader since 2000. He holds an undergraduate degree from Long Island University (LIU) and a master's degree in health care administration from LIU.

"I am looking forward to furthering the important advocacy work of the Nassau-Suffolk Hospital Council," said Connor, "especially as health care delivery undergoes transformative change."

See photos of Annual Meeting on page 2



Paul J. Connor III

Legislative Session Considers Patient and Provider Needs

Hospital advocates advanced legislation during the 2012 legislative session to close loopholes in managed care policies that hurt patients and providers and ensure the appropriate level of care is assigned to patients without the risk of hospitals unintentionally violating state and/or federal policies. These provisions are:
Observation Care: State regulations and federal regulations pertaining to the provision of observation care do not currently align. The Senate and Assembly unanimously passed legislation initiated by the Suburban Hospital Alliance of New York State LLC, which is designed to correct this. Because of this discrepancy, hospitals are hesitant to use observation care status, and instead, admit a patient to inpatient status, even though observation care is the more clinically appropriate designation. These short stays then trigger coding/payment audits. State regulations finalized in

January require that observation care be provided in a discreet unit, under the direction of the emergency department, with a specific designation of beds for the purpose of providing observation care. This presents a conflict with Medicare rules, which allow hospitals to utilize beds on existing units that best meet patients' clinical needs, and would bar some hospitals from establishing observation units due to costs and physical plant restraints. The state also limited the time period in which a patient can be treated in an observation unit to 24 hours, but the legislation increased this to 48 hours, which is more in line with Medicare regulations. In rare cases, observation services can exceed 48 hours. This bill extends the time period to 48 hours, consistent with Medicare regulations
Managed Care Reforms: Both the Assembly and Senate passed a bill that reforms certain plan practices

that result in unilateral reductions of payments and claims denials. Specifically, A.9946-B (Morelle) and S.7071-B (Hannon) would prevent health plans from unilaterally down coding claims without reviewing a medical record and from denying hospital reimbursement if a hospital fails to provide a notice of an emergency admission. The bill now goes to the governor for his signature.

Safe Patient Handling Mandate: An overreaching and overtly unworkable bill to mandate that all health care facilities have a safe patient handling program places undue financial burden on hospitals and discounts

patient and facility specific considerations when determining appropriate equipment and technology needs. The legislation requires the DOH to impose mandated ratios of equipment and technology. Hospitals in the region, and indeed throughout the state, are highly committed to the goal of promoting patient and employee safety. Their expertise has been used throughout the years to inform the state's patient handling demonstration program that expires in 2013. The bill passed the Senate only.

Annual Meeting Photo Gallery



The Hospital Council and its member hospitals offered retirement congratulations to Joe Quagliata (center), CEO of South Nassau Communities Hospital, at the annual meeting. Quagliata served many years as chair of the Hospital Council's Finance Committee and served one term as board chair of NSHC. At left is Kevin Dahill, President/CEO of NSHC and Doug Melzer (right), CEO of Long Beach Medical Center and outgoing NSHC board chair.



Newly appointed Chair of the Nassau-Suffolk Hospital Council Paul J. Connor III (left), CEO of Eastern Long Island Hospital, officially takes the helm of the association from outgoing chair Doug Melzer (right), CEO of Long Beach Medical Center. Center is NSHC CEO/President Kevin Dahill.

Financial Expert Offers Providers Glimpse of the Future

Keynotes Hospital Council Annual Meeting

Michael Irwin, managing director at Citigroup, presented "Managing the Transition – Positioning for the Future" at the Hospital Council's annual meeting. Environmental trends influencing health care providers of tomorrow include accelerating consolidation, infiltration of private equity firms, and the emergence of non-traditional partnerships. These include hospitals aligning with managed care organizations (MCO) and such organizations diversifying their business lines to include health information technology services, physician groups, and ambulatory surgery clinics to name a few. "The higher the level of integration, the greater the operating margins," said Irwin.

Suburban Hospitals Comment on Medicaid Waiver Process



On June 18, 2012, a representative of the Suburban Hospital Alliance of New York State, LLC, provided comments on behalf of the Alliance's 51 hospitals, pertaining to the state's application for a federal Medicaid waiver, which would allow the state to diverge from federal rules on the

operation of Medicaid in exchange for lower expenses. At the public hearing held in the Bronx, the Suburban Alliance emphasized that any waiver the state advances to the federal government must include capital for infrastructure and operational redesign, reform of burdensome and duplicative regulations, and commitment to safety net/essential care providers.

Recommendations specific to suburban institutions pointed to the diversity of communities served and variances in hospital physical size and scope of services provided by member hospitals. The waiver must take into consideration the range of needs and capabilities of providers when developing new models of care. In the suburban regions, this range spans from large health systems and academic medical centers to small rural and community hospitals that are not as far along in adopting technology and shifting away from inpatient care.

Additionally, the waiver design must ensure financial stability of safety net providers and public institutions. The Suburban Alliance recommended that the waiver be used to designate special funding streams for these institutions to take into consideration that the needs of suburban safety net hospitals may differ from those of urban and rural facilities.

For more information about the Medicaid 1115 waiver amendment, opportunities to comment, public engagement, and the application submission process, go to http://www.health.ny.gov/health_care/medicaid/redesign/.

The Suburban Alliance is the joint advocacy arm of the Nassau-Suffolk Hospital Council and the Northern Metropolitan Hospital Association



The Quality Corner

An update on quality reporting measures

Mary Jane Milano, Director of Quality and Education

New Podcast Series about the AHRQ Quality Indicators™ Toolkit for Hospitals: A new series of seven 10-minute audio interviews features hospital experts explaining how to use the quality improvement tools in the *AHRQ Quality Indicators™ Toolkit for Hospitals*. The toolkit is a free resource to guide hospitals through the process of using the AHRQ Inpatient Quality Indicators and Patient Safety Indicators to improve care. For general information on the AHRQ Quality Indicators go to: <http://www.qualityindicators.ahrq.gov/>.

Medicare/Medicaid Conditions of Participation: CMS issued a **final rule** on Medicare/Medicaid Conditions of Participation (COP) on May 16, 2012. Although the rule provides some relief for hospitals by eliminating various burdensome requirements that were previously contained in the COP, the final rule includes two provisions problematic for hospitals. The first requires health care systems to have an independent/distinct medical staff for each hospital in the system and the second requires a medical staff member to be on the governing body of a hospital. The American Hospital Association and other stakeholders are advocating for a change in these requirements which are to be effective July 16, 2012. In mid-June, CMS told state surveyors to hold off on implementing the new requirements for hospital governing boards to include a medical staff member stating that surveyors should not assess compliance with this requirement or cite deficiencies without receiving instructions from CMS. The agency also issued a **proposed rule** on May 4, 2012 on the Medicare/Medicaid Conditions of Participation. The proposed rule requires hospitals and Critical Access Hospitals to

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

offer all inpatients and outpatients an annual flu vaccination and develop and implement policies and procedures to do so. Comments on this proposed rule are due by July 4, 2012.

Joint Commission Expands Requirement for Annual Influenza Vaccinations: Effective July 1, 2012, all Joint Commission-accredited health care organizations must establish annual influenza vaccinations for licensed independent practitioners and staff. The Joint Commission expanded this standard to include ambulatory care, behavioral health, home care, laboratories, and office-based surgery. Accredited organizations are required to set incremental goals for meeting 90 percent coverage by 2020.

NYSDOH New Office: The New York State Department of Health is establishing a new Office of Quality and Patient Safety to help coordinate and implement quality and safety initiatives in the state. We will keep you posted on how this office interacts with NYPORTS staff.



Mark Your Calendar for NSHC Events in July

July 17 Corporate Compliance Committee, 9:30 a.m.

July 19 Nassau Suffolk Council of Hospital Auxiliaries Board meeting, 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.

Summit Examines Reform and Real Estate Connection

New models of health care delivery are moving the industry in a much more patient-centered direction. This approach has bearing upon many ancillary industries, including the real estate market. Making the connection between point and place of health care service was explored by NSHC CEO/president Kevin Dahill at the



Healthcare and Real Estate 2012 Summit held June 12, 2012 at the Scholastic Building in New York City. The summit brought together leading health care and medical, real estate and capital markets executives from the metropolitan region.

“The opportunity for the provider community and the real estate community to work together to meet patients’ and payers’ needs is critical and obvious,” said Dahill, who represented the health care industry through the Suburban Hospital Alliance of New York State LLC. “It’s about bringing health care to the heart of the community and to the patient’s doorstep.” Dahill participated in the panel discussion

“The Industry Response: How Will the Delivery of Services Continue to be Impacted under Reform?”

News Briefs . . .

HEAL Awards . . . totaling \$301.1 million statewide were recently announced by Governor Cuomo. Of that total, four hospitals and nursing homes on Long Island will receive \$43.2 million in grants to fund continuing efforts to transform the state’s health care system and to improve patient care, reduce costs, and enhance access. The awardees include **Long Beach Medical Center, St. Charles Hospital, Nassau Health Care Corporation, and Suffolk County Department of Health Services.**

HIT Collaborative . . . is taking the next step on Long Island. The e-Health Network of Long Island, a Regional Health Information Organization (RHIO) with participating partners throughout Long Island, is the first RHIO to sign an agreement with the New York State e-Health Collaborative (NYeC) to begin sharing data with other RHIOs in New York State. NYeC is spearheading efforts to launch the State Health Information Network of New York’s (SHIN-NY) platform statewide, for connectivity for health information exchange. This enterprise will allow e-Health Network’s participating providers to view information about their patients who have given their consent, to determine what type of care they may have received at other facilities in various regions of the state.

Eastern Long Island Hospital (ELIH) Volunteer . . . earns the First Senatorial District’s Woman of Distinction for 2012 from State Senator Kenneth LaValle. **Toni DeMeo** serves ELIH as both a volunteer and director of volunteers. She is responsible for daily scheduling, recruitment, interviewing, position assignment, as well as

overall supervision and training for all hospital volunteers. In 2012, she was awarded a pin for 17,000 hours of service to ELIH.

Making the Quality Grade . . . is Nassau University Medical Center (NUMC). The hospital received the Gage Safety Net Award for the hospital's work in reducing central line-associated blood stream infections. The award was presented to NUMC CEO Art Gianelli at the National Association of Public Hospitals' annual conference in San Francisco, CA on June 21, 2012.

*** * * JOIN YOUR COLLEAGUES * * ***

HANYS 44th Annual Membership Conference June 28 and 29

The Sagamore in Bolton Landing, NY

Hear from the hospital CEO whose facility was the only health care organization to receive the prestigious *Malcolm Baldrige National Quality Award in 2008, the nation's highest honor for organizational innovation and performance excellence . . .* and enjoy a special address offered by *Jason Helgerson, NY State Medicaid Director, and key architect of New York's Medicaid transformation.*

For more information contact: Rachel Hajos at 518-431-7838, rhajos@hanys.org.

**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](http://www.nshc.org) 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



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
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