

Progress Notes July 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.

Health Care Reform Post-SCOTUS Decision: Considerations for the Hospital Industry

The Supreme Court of the United States' decision on June 28, 2012 to uphold the individual mandate, the central piece of the Obama administration's 2010 Affordable Care Act (ACA), moves patients and providers into the next phase of health care reform. Although the individual mandate survived, the requirement that states expand their Medicaid programs to an eligibility level of 133 percent of the federal poverty level (FPL) or lose all Medicaid funding did not. Instead, the court ruled that the federal government was incorrect to "coerce" states into insurance expansion compliance by threatening the loss of all federal Medicaid dollars.

The court's final ruling allows states the option to expand Medicaid programs. If states choose not to expand coverage as outlined by the law, then only new federal Medicaid monies that are tied to expansion would be lost. A handful of states have already vowed to not expand their Medicaid programs. New York had previously expanded its Medicaid program to 133

percent of the FPL and federal monies for its expansion efforts are not in jeopardy.

On the national level, lack of unified expansion by states reduces the overall number of American citizens expected to gain coverage when the mandate, Medicaid expansion, and insurance exchanges begin in 2014. When the ACA was negotiated back in 2009, the hospital industry agreed to reductions in Medicare/Medicaid reimbursements, as well as reductions to disproportionate share (DSH) dollars, in exchange for the influx of newly insured patients. Without unified expansion, those new numbers of insured are not guaranteed nationwide.

In New York, however, thousands of currently uninsured are expected to obtain some level of insurance coverage by 2014. While hospital leaders generally see this as good, they remain concerned about the availability of enough primary care providers to tend to these new patients. Statewide there remains a dearth of primary care providers. – Janine Logan, jlogan@nshc.org.

State Legislative Session Ends on Hopeful Note for Hospitals

The state legislative session ended on June 21, 2012 with a number of significant legislative victories for hospitals and their patients. Success came by way of passage of several important pieces of legislation and the blockage of several other ones that would prove harmful to hospitals.

Passed Legislation (Highlights)

- Manage care reforms that address plan practices such as unilateral coding adjustments and claims denials
- Observation services bill that aligns state and federal regulations; measures were prompted by the Suburban Hospital Alliance of New York State, LLC.
- Streamlined credentialing and peer review process related to the utilization of telemedicine
- Wage withholding law offering greater clarification on allowable payroll deductions
- Streamlined Doctors Across New York Program (achieved during budget process)

The managed care reforms were delivered recently to Governor Cuomo. These were included in the second package of bills that the governor will consider. Governor Cuomo has until August 1st to act on these bills. Other passed legislation will be delivered to the governor throughout the summer months.

Blocked Legislation (*Highlights*)

- Overreaching, prescriptive patient handling legislation
- Harmful medical malpractice legislation (four proposed)
- Nurse staffing ratios
- Physician collective bargaining negotiations

Issue to Watch

It is possible that the legislature may reconvene later this year for a special session to consider the following issue:

- *Disproportionate share (DSH)/indigent care funding methodologies* need to be changed to comply with the requirements of the federal Affordable Care Act. New York can no longer receive federal matching funds for indigent care funding that is distributed according to its current formula, which includes hospitals' bad debts in the calculation.

Medicaid Update

- According to the Department of Health, the Medicaid Global Spending Cap for April 2012 (the first month of the 2012 -2013 fiscal year) was \$30 million or 2.5 percent below projections. The cap for the current fiscal year is \$15.9 billion. A four percent Medicaid increase per year was set in statute in the 2011 – 2012 budget agreement. The state ended the most recent fiscal year \$14 million under global cap projections. Should the cap be pierced, the commissioner of health has broad authority to make unilateral Medicaid cuts. – Janine Logan, jlogan@nshc.org.

Stony Brook University Hospital Volunteer Elected President of Region's Hospital Auxilian Group

Executive leadership board members also appointed



2012 – 2013 Auxilian Board. From left: President Uta Dee, Stony Brook University Hospital; First Vice President Terese Weber, Good Samaritan Hospital Medical Center; Second Vice President Sheila Norris, Mercy Medical Center; Treasurer Virginia Bolla, St. Francis – The Heart Center; Recording Secretary Edna Fetkowitz, Huntington Hospital; and missing from photo Corresponding Secretary Inge Costa, St. Francis – The Heart Center.

Setauket resident Uta Dee, a **Stony Brook University Hospital** volunteer, was elected to a one-year term as president of the Nassau-Suffolk Council of Hospital Auxiliaries. Her term expires June 2013. Dee and other members of the group's executive board were named at the annual auxilian recognition luncheon held June 11, 2012. The annual event is sponsored by the Nassau-Suffolk Hospital Council.

Dee joined the hospital's auxiliary force in 1984 and twice served as president of the auxilian board. She has extensive experience in fund raising and advocating on behalf of the academic medical center. For a time, she also served as president of the University Association. This organization welcomed foreign faculty to the Stony Brook campus and helped them transition to their new environment. A native of England, Dee herself arrived in the United States in 1976. While living in England, she taught French and German.

“Advocacy is a key activity for auxiliaries,” said Dee. “I want to encourage interaction between the various auxiliaries in Nassau and Suffolk counties so we can exchange ideas and information.”

In her role as Nassau-Suffolk Council of Hospital Auxiliaries president, Dee will continue to lead this organization of hospital volunteers that is aligned with the Nassau-Suffolk Hospital Council.

Hospital auxiliaries play a vital role in the delivery of compassionate care at each of their facilities and are major fund raisers for their respective institutions. Collectively, Long Island’s volunteer auxiliaries raise millions through gift shop and thrift shop sales, fashion shows and boutiques, and other events.

In addition, they are actively involved in advocating on federal, state, and local levels on behalf of their hospitals and the thousands of patients that these institutions serve each day. – Janine Logan, jlogan@nshc.org.

Quality Report Cards, Rankings Propel Performance Improvement

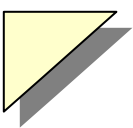
Recent news reports about quality report cards and hospital rankings remind hospital leaders of the importance of tracking data to ensure continuous quality improvement and enhanced patient safety. Although such report cards and ranking agencies may extract data from similar sources, the way such entities analyze and report the data often differs. The resulting report cards lack uniformity and standardization, making it difficult for providers and patients to make reliable comparisons.

Hospitals on Long Island are vigilant in their data collection and reporting practices and work collaboratively to share best practices all in an effort to enhance patient care at each of their facilities. As the health care delivery system transitions from a volume-based model to a value-based model, clinical outcomes, which first and foremost drive improvements in care, will also drive reimbursement and portend the very economic survival of hospitals.

In particular, Medicare’s value-based purchasing program (VBP) will start impacting hospitals’ reimbursements in October 2012. Quarterly reports provided by the Healthcare Association of New York State (HANYS) provide members with *preliminary data* on their VBP performance and provide hospital planners with a window into what the world of hospital

reimbursement for their institutions will look like in the very near future. By comparing previous Centers for Medicare and Medicaid (CMS) Hospital Compare baseline data to an active reporting period, the Quality Department at HANYS runs useful reports. While a facility may fare very well in one measure during a specified quarter, that same hospital can slip in its rank the next quarter. Variations in patient acuity can account for these changes, but these preliminary VBP reports are helpful in pointing out these changes so that hospitals can readjust patient safety and care practices in the hopes of achieving a consistent top rank quarter after quarter.

“These reports are extremely helpful for internal planning and quality improvement initiatives,” said Wendy Darwell, chief operating officer for NSHC and staff lead for NSHC’s Quality Committee. “CMS makes VBP results public next year. Those reports will be the ones the public sees and upon which hospitals’ reimbursement is calculated.” – Janine Logan, jlogan@nshc.org.



The Quality Corner

An update on quality reporting measures

Mary Jane Milano, Director of Quality and Education

The 2013 Medicare Prospective Payment System proposed rule issued this spring called for the addition of several Hospital Acquired Conditions (HACs), including Surgical Site Infection Following Cardiac Implantable Electronic Device Procedures and Iatrogenic

Pneumothorax with Venous Catheterization. Similar to the other 10 HACs, hospitals will not be paid the additional costs associated with these conditions unless the conditions were present on admission. CMS has drafted a crosswalk of ICD-9 codes to ICD 10 codes that

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

define Hospital Acquired Conditions. The crosswalk can be found at

http://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/HospitalAcqCond/icd10_hacs.html

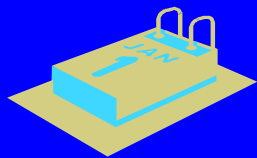
CMS proposed to delay the implementation of ICD-10 codes until October 2014.

The Outpatient Prospective Payment System (OPPS) and Ambulatory Surgical Center (ASC) proposed rules for calendar year (CY) 2013 were released by Centers for Medicare and Medicaid (CMS) on July 7, 2012. The proposed rule includes information about quality reporting for outpatient care, ambulatory surgery, and inpatient rehabilitation facility care. CMS confirmed for calendar year 2014 and beyond the suspension of an outpatient quality measure for a Transition Record Received by Discharged Patients noting that hospitals should not submit a null value because the lack of data for this measure will cause the submitted case to be rejected entirely from the data warehouse. The rule also proposes deferring data collection of an outpatient measure on Cardiac

Rehabilitation Care. No new outpatient quality measures were proposed for calendar year 2014 or 2015.

The New York State Department of Health just released a listing of quality indicators that will be used to track quality of care for **Medicaid recipients** over the next decade. The indicators are segmented into the three categories mirroring the “triple aim” - improving care, improving health, and reducing costs. In total, there are 44 indicators including indicators related to preventive care, primary care, chronic care, mental health, substance abuse, long-term care, patient preferences, health care reform, and preventable events. For each indicator, the document lays out New York State performance in 2009 through 2011, and sets performance goals for 2013, 2015, 2017, and 2020.

– Mary Jane Milano,
mmilano@seagatealliance.com.



Mark Your Calendar for NSHC Events in August

- Aug. 10 Revenue Cycle Committee, 12:30 p.m.
- Aug. 14 Corporate Compliance Committee, 10:30 a.m.
- Aug. 15 Quality/NYPORTS Committee, 10 a.m.
- Aug. 17 Human Resources Committee, 9 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.

News Briefs . . .

Distinction as Most Wired Hospitals . . . in the Long Island region goes to *North Shore University Hospital, Stony Brook University Medical Center, Southampton Hospital (rural/small category), and Winthrop-University Hospital*, according to the results of the 2012 Most Wired Survey released in the July issue of *Hospitals and Health Networks* magazine. The Most Wired Survey is conducted in cooperation with McKesson Corporation, the college of Healthcare Information Management Executives, and the American Hospital Association.

More ACOs Approved . . . in the region. They are Beacon Health Partners, LLP, (Manhasset, NY); Healthcare Provider ACO, Inc. (Garden City, NY); and ProHEALTH Accountable Care Medical Group, PLLC, (Lake Success, NY). With these additions, the total number of ACOs in the country is 154 – including the shared savings program, the Pioneer ACOs, and six physician group practice models.

Blood Supply Critically Low . . . during the summer months. Hospitals are reminded to encourage employees and community members to donate blood regularly. Go to www.nybloodcenter.org for location and dates of blood drives sponsored by Long Island Blood Services/New York Blood Center. Visit this site for information on organizing a drive at a hospital or other location.

Best Fed Beginnings . . . a first-of-its kind national effort to significantly improve breastfeeding rates in the states where rates are currently the lowest selected Stony Brook University Hospital, one of only 90 hospitals nationwide, to participate in this national effort to educate new mothers about benefits of breastfeeding. Stony Brook is also one of only two hospitals in the northeastern United States selected for the program. Stony Brook has been participating in the New York State Breast Feeding Quality Improvement in Hospital Learning Collaborative, which has resulted in the establishment of several evidence-based practices to support exclusive breastfeeding.

Committee News ...

Communications Committee: The committee met on Friday, June 15, 2012 for the annual Ann Marie Brown Memorial Scholarship Luncheon. Each year since 1994, the NSHC Communications Committee has awarded a \$2,000 scholarship to a college junior, senior, or post graduate student from Long Island who is studying communication arts, journalism, or health care administration. The scholarship is awarded in memory of Ann Marie Brown, who served as vice president of government and public affairs for the Hospital Council from 1983 – 1993. The 2012 scholarship was awarded to Merrick, NY resident Carolann Martines. Martines, who works full-time as an associate writer in the Communications Department at Winthrop-University Hospital, is pursuing a master's degree in health communications at Boston University – distance learning program. In other news, the NSHC Communications Committee named Theresa Jacobellis from Good Samaritan Hospital Medical Center as its chair, Brian Mulligan from North Shore-LIJ Health System as its vice chair, and Stu Vincent from John T. Mather Memorial Hospital, as secretary.



2012 Ann Marie Brown Scholarship recipient Carolann Martines (left) with NSHC Communications committee chair Theresa Jacobellis.

Nurse Executive Committee: The committee held its first-ever summer retreat at Southampton Hospital on June 20, 2012. The meeting featured a presentation on the benefits of Southampton's comprehensive wellness program for employees and patients, as well as a report on the New York State Partnership for Patients initiative from Sharon Kennish, a regional program manager for HANYS.

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
not-for-profit and public hospitals.*