

Progress Notes January 2013

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.

Hospitals Pushed to the Edge of the “Cliff”

As the 112th Congress closed on January 1, 2013 its final order of business was passage of the American Taxpayer Relief Act. This legislation prevented a full fall over the “fiscal cliff.” However, the budget deal did not address the automatic two-percent sequestration cuts to Medicare provider payments (worth \$375 million to hospitals on Long Island). Instead, Congress will debate sequestration in February, as the cuts come due March 2. Following on the heels of this contentious issue is the expiration of the current continuing resolution – the legislation that authorized funding of the government until March 27, 2013. There is a voracious appetite for deficit reduction and spending cuts in Washington, leaving Medicare and Medicaid likely targets.

The “fiscal cliff” fix permanently extended the Bush-era tax cuts for individuals earning less than \$400,000 annually (\$450,000 for couples), postponed the 26.5 percent Medicare reimbursement cut to physicians for one year, and extended long-term unemployment benefits for one year. Numerous other expiring provisions in Medicare and tax law were enacted.

Hospitals were not spared from all cuts and will absorb about \$30 billion to offset the cost of the physician reimbursement fix. About \$24 billion of the cut will come from reinstatement of the Medicare inpatient coding offset. The federal government’s rule making body for health care, the Centers for Medicare and Medicaid Services (CMS), had long held that hospitals’ coding for severity of illness was not appropriately reflective of patients’ acuity and moved to adjust/recoup payments to hospitals. However, as more patients are treated in outpatient settings those left for inpatient care are the more complex patients and the severely ill whose care is more costly and complicated. CMS recently relaxed its view about such coding; Congress, with passage of the American Taxpayer Relief Act, essentially dismissed that view.

Additional funding for the “doc fix” comes from the addition of one more year in disproportionate share cuts (DSH) to hospitals. The Affordable Care Act (ACA) calls for DSH reductions for 10 years but Congress extended the cuts through 2021 last year; this legislation extends the cuts to 2022. DSH payments are made to hospitals to partially subsidize the cost of caring for the indigent and uninsured.

On a positive note, the House approved legislation to raise the nation’s debt ceiling, or legal borrowing limit, through May 18. In August 2011, the House’s wrangling over the debt ceiling in exchange for deep spending cuts pushed the nation near default and lowered the nation’s credit rating. The bill approved by the House would require each chamber to pass a budget resolution for fiscal year 2014 by April 15, 2013 or risk congressional members’ pay being withheld.

Superstorm Aid and Recovery Update: As one of its first orders of business in the new Congress, the House passed \$50.6 billion in emergency aid; on January 28, 2013, the Senate passed this legislation and the President soon thereafter signed it. This is in addition to the \$9.7 aid request Congress passed on January 4, 2013. Those funds replenished the National Flood Insurance Program. Funding will be accessed principally through FEMA, the Department of Housing and Urban Development (HUD) Community Development Block Grant Program, and HHS’ Social Services Block Grant Program. Look for updates about the grant/application processes in upcoming memos. Meanwhile, thousands of hospital workers, mostly in the hardest hit areas, lost homes and other property due to the storm, and continue to suffer. The **Hurricane Sandy Health Care Employee Relief Fund** was established by regional and state hospital associations, including the Nassau-Suffolk Hospital Council, as well as the American Hospital Association, to provide assistance to these impacted employees. To donate, visit: http://www.uhfnyc.org/hurricane_sandy_relief_fund. The United Hospital Fund is receiving the charitable donations and expects to begin distribution of grants the end of February. – Janine Logan, jlogan@nshc.org.

Hospitals Prepare for 2013 State Legislative Season

With the continuation of the state's four percent yearly cap on Medicaid spending, hospitals' advocacy focus for the 2013 legislative session will turn more toward policy and regulation. However, with the end of the original two-year state Medicaid budget agreement, hospitals do not know if more budget cuts will occur or whether the Medicaid trend factor will be affected, when the Governor and legislature agree on a final budget in the spring. The governor's proposed budget does call for the permanent elimination of the trend factor and a two-percent cut to Medicaid reimbursement.

Overall, health care references in Governor Cuomo's State of the State address were limited to proposed regulations concerning sepsis recognition and treatment at hospitals and more Certificate of Need (CON) reform related to location and infrastructure vulnerabilities for new construction and hospital expansion projects. This is in response to changing climate conditions the region has encountered in the past couple of years – namely Hurricanes Irene and Sandy. A similar provision was included in the state's Public Health and Health Planning Council's final report on CON and governance issued January 16, 2013.

Concurrently, the recent enactment of New York's Secure Ammunition and Firearms Enforcement (SAFE) Act includes provisions related to mental health. The law, which is now the toughest gun law in the nation, expands Kendra's Law and relies on mental health professionals to notify authorities about individuals considered to be dangerous, for the removal of guns and gun licenses. Some mental health professionals fear the law's notification policy will dissuade patients from speaking the truth about their violent thoughts that are self-directed or focused on others. Kendra's Law, originally enacted in 1999, pertains to the provision of mandated assisted outpatient treatment for the mentally ill who pose a danger to themselves and others.

Hospital advocates are watching other potential legislative and policy developments, including reform of the disproportionate share methodology to conform to federal regulations, the commissioner's super powers provision, board governance and executive compensation policies, medical malpractice reform, staffing ratios and scope of practice issues, among other concerns.- Janine Logan, jlogan@nshc.org.

Regional Policy and State Budget Briefing will take place at the NSHC offices on Monday, February 4, 2013 from 9:30 to 11:30 a.m. This year's state budget will address significant policy issues, including the Medicaid Global Spending Cap, Commissioner of Health super powers provision, access to capital, governance and executive compensation, health planning, and certificate of need reform. HANYS representatives with NSHC staff will present the briefing. Register at http://www.hanys.org/events/?event_id=684 (you will need your HANYS password). For additional information, contact Lillian Curry, lcurry@nshc.org. 631-963-4153.

Suburban Hospitals Expand to Joint Advocacy Initiatives

NSHC and its sister organization the Northern Metropolitan Hospital Association plan to influence Albany and Washington lawmakers with their combined strength on all advocacy issues

Leadership of the Nassau-Suffolk Hospital Council (NSHC) and the Northern Metropolitan Hospital Association (NorMet) recently announced the expansion of the associations' joint advocacy initiatives under the umbrella of the **Suburban Hospital Alliance of New York State, LLC**. The decision follows two years of joint advocacy activities in which the two hospital associations concurrently advocated for their members as NorMet, the NSHC, and the Suburban Hospital Alliance. Moving forward all advocacy activities for the 51 hospitals represented by NorMet and the NSHC will be directed by the Suburban Hospital Alliance. NSHC and NorMet retain their respective boards and remain two distinct associations representing hospitals in their respective regions.

"The Suburban Hospital Alliance presents a strong voice in Albany and in Washington, DC," said Kevin Dahill, president/CEO of the two hospital associations and principal of the Suburban Hospital Alliance. "Elected leaders from the two regions represented by the Suburban Hospital Alliance present a formidable and powerful voting bloc, as they speak on behalf of 5.1 million New Yorkers – a quarter of the state's total population."

The environment in Albany and Washington is very much focused on debt and deficit reduction and health care remains a vulnerable target for Medicare/Medicaid cuts to providers. New York is in the midst of historic Medicaid



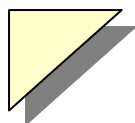
reform and payment transformation, as is the nation's Medicare program under provisions of the Affordable Care Act (ACA). The ACA is also ushering in a bevy of insurance reforms, most notably state insurance exchanges, and other coverage mandates and consumer protections that will forever change the way care is delivered and paid for in this country, says Dahill. "While the Suburban Hospital Alliance exists to protect the interests of hospitals and the patients they treat, we also want to help lawmakers and regulators develop sound and reasonable health care policy that meets the needs of all interests involved," said Dahill.

In the Hudson Valley, the Suburban Hospital Alliance includes 27 hospitals located in seven counties – Westchester, Orange, Putnam, Rockland, Dutchess, Ulster, and Sullivan. This is the region serviced locally by the Northern Metropolitan Hospital Association (NorMet). On Long Island, it includes 24 hospitals in two counties – Nassau and Suffolk. This is the region serviced locally by the Nassau-Suffolk Hospital Council (NSHC).

NSHC and NorMet worked informally since 2006 on joint advocacy activities and formally organized these advocacy activities in 2011 under the Suburban Hospital Alliance of New York State, LLC. Hospitals in these two suburban regions share common interests that are distinct from issues that affect hospitals in urban and rural areas. Some of these defining issues include wage and workforce differences, excessive malpractice costs, and prohibitive Certificate of Need provisions. – Janine Logan, jlogan@nshc.org.

Suburban Hospital Alliance Advocacy Kick-Off • February 11 – 12 in Albany

Coordinating Council Meeting for CEOs, Key educational meetings for Member Presidents, CEOs, Executive Directors, and Government Affairs Directors are being arranged with NYS Department of Health Commissioner Shah, Senator Kemp Hannon, Assembly Majority Leader Joe Morelle and others. For detailed agenda and questions contact: Wendy Darwell (631) 963-4152. **Part Two Advocacy Events . . . March 5 - 6 in Albany.** Mark your calendars now.



The Quality Corner

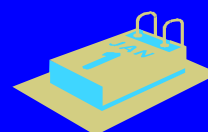
An update on quality improvement issues

Mary Jane Milano, Director

National Safety Goal: The Joint Commission is seeking comments on its proposed 2014 National Patient Safety Goal on Alarm Management. The proposal, for the critical access hospital and hospital accreditation programs, focuses on alarm management in relation to patient safety and consists of five elements of performance including establishing alarm safety as a priority; preparing an annual inventory of alarms and identifying the default alarm settings; identifying the most important alarms to manage; establishing policies and procedures for managing these alarms; and educating staff about alarm policies and procedures.

The Centers for Medicare and Medicaid Services (CMS) sent a letter to state Medicaid programs describing a core set of eight recommended quality measures for health home services. The measures apply to Medicaid-eligible children and adults, and align with the initial core set of health care quality measures for Medicaid-eligible adults, meaningful use measures and the National Quality Strategy. Once the core set is finalized through the rulemaking process, states will be required to report on these measures, which will be used to assess health home program outcomes. The eight recommended measures are:

- Adult body mass index assessment
- Ambulatory care — sensitive condition admission
- Care transition — transition record transmitted to healthcare professional
- Follow-up after hospitalization for mental illness
- Plan — all cause readmission 6. Screening for clinical depression and follow-up plan
- Initiation and engagement of alcohol and other drug dependence treatment
- Controlling high blood pressure



Mark Your Calendar for NSHC February Events

- Feb. 4 HANYS Budget Briefing, 9:30 – 11:30 a.m.
- Feb. 8 Revenue Cycle Committee, 12:30 p.m.
- Feb. 13 Finance Committee, 8 a.m.
- Feb. 13 FE Open House, Noon – 4 p.m.
- Feb. 14 Population Health Workgroup, 3 – 5 p.m.
- Feb. 15 HANYS Partnership for Patients, Surgical Site Infections Kick Off 7 a.m.
- Feb. 20 Quality Committee, 10 a.m.
- Feb. 26 Corporate Compliance, 9:30 a.m.
- Feb. 28 FE Open House, Noon – 4 p.m.

For more information please call: 631-963-4153.

MOLST Update: The New York State MOLST (medical orders for life sustaining treatment) helps physicians and other providers ensure that patients' wishes for end-of-life care will be identified and honored, regardless of where they are receiving care. There is now a state wide, secure web-based application, **eMOLST**, that allows enrolled users to complete the MOLST form and MOLST chart documentation form (goal for care discussion and legal requirements) for their patients. The forms are created as pdf documents that can be printed for the patient and a paper-based medical record, stored in an EMR and included in the NYS eMOLST registry. For further information contact Mary Jane Milano, 585-721-1078.

Quality Data: Electronically reporting quality measures may not produce valid data, according to a study in *Annals of Internal Medicine*. Researchers compared manual review and electronic reporting of 12 quality measures for adult patients at a federally-qualified health center with an electronic health record in 2008. Electronic reporting (EP) yielded significantly different results compared with manual review for these measures: the rate of appropriate asthma medication: 33percent via EP vs. 77 percent from manual review; rate of pneumococcal vaccination 27 percent via EP vs. 48 percent from manual review; cholesterol control in patients with diabetes: 57 percent via EP vs. 37 percent from manual review. The results have important implications for CMS and its efforts at combining Inpatient Quality Reporting with quality reporting required as part of meaningful use of electronic health records. – Mary Jane Milano, mmilano@seagatealliance.com.

News Briefs . . .

Economic Development Funding . . . will bring \$59.7 million to the Long Island region through round two of Governor Cuomo's Regional Economic Development Council initiative. The awards were announced in December 2012. Health care related projects: \$1 million to support the construction of an \$80 million, 94,000 square foot Research Institute at Winthrop University Hospital. The Institute will be a medical research and education facility that will focus on diabetes and obesity and \$500,000 to support a 30,000 square foot expansion of the Broad Hollow Bioscience Park at Farmingdale State College. The project will help meet a critical need for incubator space to accommodate spin-offs from Long Island research facilities and retain and create life sciences jobs.

State Insurance Exchange . . . received conditional approval from the Department of Health and Human Services in December 2012. New York's approval is contingent upon timely demonstration of the exchange's ability to perform all required activities in line with the attestations New York has made in its exchange blueprint application submission; and ongoing compliance with future guidance and regulations. The exchanges begin enrolling eligible individuals and businesses this October and will be fully operational January 2014.

Readmissions Reductions . . . were seen through Brookhaven Memorial Hospital Medical Center's Home Health telehealth program for patients with chronic obstructive pulmonary disease and pneumonia resulted in a seven percent readmission rate for COPD and no readmissions for pneumonia patients monitored through telehealth. This compares with a 23 percent readmission rate for all COPD patients and a 26 percent readmission rate for all pneumonia patients at Brookhaven.

Medicaid Global Spending Cap . . . remains in check. According to the New York State Department of Health, expenditures are \$35 million (0.4 percent) under projections for the first seven months of the state fiscal year.

Excellence in Association Education . . . was bestowed upon the NSHC Communications Committee when it received the 2012 Outstanding Association Achievement Award from the A2E organization for its web-based public information campaign – the ABCs of Health Care Reform and You. A2E (Association of Association Educators) is a subgroup of the American Hospital Association. About 100 association educators belong to this group. Submissions for the award are peer reviewed and voted upon by this national group. The ABCs campaign was launched in January 2012. It offers easy-to-understand information about Access, Benefits, and Cost of the Affordable Care Act – all with one click. Updated regularly, the resource is used by

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

elected leaders for constituent education, as well as by the media and the public. Access it via www.nshc.org and click on the ABCs logo on the home page.

Healthcare Trustees of New York State . . . announces the appointment of 2013 officers to its board. They include John Lane, Chairman, trustee from Winthrop-University Hospital, and Sharon Norton Remmer, Secretary and Treasurer, and Immediate Past Chair, trustee from Brookhaven Memorial Hospital Medical Center.

HANYS 2013 Health Improvement Award . . . nominations are sought. The award recognizes outstanding initiatives by members to improve the health and well-being of their communities. All NorMet/HANYS members are eligible to apply. Application deadline is March 11.

Savings on Health Insurance Premiums . . . total \$500 million, according to Governor Cuomo's office. This is the amount of money New Yorkers can expect to save in 2013 because of the Department of Financial Services cuts to insurers' rate increases. New York State enacted its prior approval law in 2010.

Doctors Across New York . . . third cycle of funding applications is due March 29, 2013 and must be submitted electronically. The application has been streamlined and now includes only one application for either practice support or loan repayment funds.

Workforce Information Survey . . . assists in advocacy efforts. Hospitals are urged to complete the 2013 Nursing and Allied Health Workforce Advocacy Survey by February 15. The Northern Metropolitan Hospital Association/HANYS survey is being done in conjunction with the State University of New York Center for Health Workforce Studies, Greater New York Hospital Association, Iroquois Healthcare Alliance, Nassau-Suffolk Hospital Council, Rochester Regional Healthcare Advocates, and Western New York Healthcare Association. Direct questions to: Sherry Chorost schorost@hanys.org or Cindy Levernois, cleverno@hanys.org.

Cost Containment Activities . . . go national. A State Health Care Cost Containment Commission that is now working to develop practical state policies to contain health care costs was recently formed. The initiative is funded by Kaiser Permanente and the Robert Wood Johnson Foundation. Former U.S. Secretary for Health and Human Services Mike Leavitt and former Colorado Governor Bill Ritter will co-chair the commission. It will include representatives of doctors, hospitals, consumers, insurers, employers, and state and federal health care officials. The state of Massachusetts enacted a broad health care spending cap last year.

Volunteers Recognized . . . at Stony Brook University Hospital with the President's Volunteer Service Award, a national honor offered in recognition of volunteer service. A total of 89 volunteers at Stony Brook received the award. Two volunteers, George Pressman and Philip Katz, were each recognized with the Presidents Call to Service Award for completing 4,000 hours or more of volunteer service. The President's Volunteer Service Awards were created in 2002 by President George W. Bush.

Emergency Service Excellence . . . as embodied in the Julie Cangro Award from the Suffolk County Emergency Nurses Association, was presented to John T. Mather Memorial Hospital nurse Kerry O'Sullivan for her outstanding leadership, integrity, and dedication as an emergency department nurse.

Historic National Cancer Prevention Study . . . involves eleven hospitals on Long Island. The American Cancer Society's Epidemiology Research Program will be enrolling participants for its newest research study, the Cancer Prevention Study-3 (CPS-3). The study will follow participants for 20 years in an effort to figure out who gets cancer and why. Weight and physical activity will be a major focus of the study, but other behaviors, including the use of medications, will be examined as well. Long Island hospitals participating in the study are **Glen Cove Hospital, St. Joseph Hospital, Mercy Medical Center, St. Francis Hospital, Huntington Hospital, Good Samaritan Hospital Medical Center, Southside Hospital, Peconic Bay Medical Center, Southampton Hospital, St. Catherine of Siena Medical Center, and Stony Brook Medicine**. For more information go to: <http://www.cancer.org/Research/ResearchProgramsFunding/Epidemiology-CancerPreventionStudies/CancerPreventionStudy-3/cps3-locations#ny>.

Committee and Meeting News ...

Communications Committee: Members held a telephone conference call on Friday, January 25, 2013 to map out priorities for 2013. Upcoming events in the planning stages include a social media workshop led by a national expert in social media marketing and an educational program to help members better understand recent Omnibus ruling related to HIPAA and the HITECH Act. The committee will also continue its work with two public information/awareness campaigns – the ABCs of Health Care Reform and You and Vet Connect. The committee will also focus on efforts related to Community Health Needs Assessment and Community Service Plan this year.

Finance Committee: The January 15 meeting of the Finance Committee included a briefing by NSHC and HANYS general counsel Mark Thomas on litigation HANYS will launch against the Medicare RAC Audit program. Members were also briefed about the reimbursement methodology for patients evacuated during Hurricane Sandy and other available relief.

Nurse Executives Committee: At its January 16 meeting, the committee discussed their experiences during the hurricane and its aftermath, as well as their current strategies for dealing with the high volume of flu patients. NSHC Director of Quality and Education Mary Jane Milano discussed the upcoming National Healthcare Decisions Day and end-of-life decision making.

ABC's of
Health Care Reform
and You

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. . .

Brought to you by the hospitals on Long Island

A public information campaign sponsored by the NSHC Communications Committee



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