

Progress Notes . . . July 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.

Hospital Cuts Tied to Insurance Expansion Require Revision, Say Hospital Advocates

An unintended consequence of last year's Supreme Court decision to give each state the option of expanding its Medicaid program under the Affordable Care Act (ACA) means not as many uninsured will gain coverage. The Congressional Budget Office's initial projection that 32 million would gain insurance has now decreased to 25 million.

Further, the Obama Administration's decision to delay the 2014 implementation of the mandate that employers with over 50 employees provide health insurance coverage will also lessen the uptake of newly insured. Despite these occurrences, the magnitude of disproportionate share (DSH) cuts authorized by the ACA will still be borne by hospitals. Medicare and Medicaid DSH payments are made to facilities that serve a "disproportionate" number of uninsured, indigent patients who cannot afford to pay for their care and these payments partially subsidize the cost of that care.

The Healthcare Association of New York State (HANYs) provided comments to the Centers for Medicare and Medicaid Services (CMS) on the agency's recently released proposed regulations that set forward the policy that would implement the Medicare and Medicaid DSH cuts, urging improvements in the policies to make their application more equitable. The final rules are expected out next month.

In May, bill HR 1920 was introduced in the House of Representatives by Representative John Lewis. The bill would delay both the Medicare and Medicaid DSH cuts by two years. This two-year delay would allow more time for coverage expansion under the ACA to be fully realized. The Hospital Council has long held that DSH cuts should not begin until coverage expansion actually takes hold. – Janine Logan, jlogan@nshc.org.

Hospital Council Named Insurance Exchange Navigator Agency for Region

New York State notified the Nassau-Suffolk Hospital Council that it was selected to serve as a Navigator Agency for the State Health Benefit Exchange for the Long Island region - Nassau and Suffolk counties. The NSHC will have trained and certified enrollers ready by October 1, 2013 to assist individuals, families, and businesses in understanding the insurance options offered on the exchange and in purchasing insurance. Insurance purchased on the Exchange becomes effective January 1, 2014 - the date the Affordable Care Act's individual insurance mandate also takes hold. The navigators will assist individuals in completing the application for coverage, and will determine whether their income levels and family size qualify them for subsidized insurance premiums, Medicaid coverage or child Health Plus enrollment. The navigators will also help small business owners determine if they are eligible for any tax credits.

Navigators will undergo intense training provided by the New York State Department of Health during the next six to eight weeks - August through September 2013. At the completion of their training, they will become certified to serve as navigators on the exchange.

Providing Education and Outreach

Through informational materials and educational workshops, the NSHC will provide limited help to professionals who need to gain a better understanding of the State Health Benefit Exchange. Informational materials will soon be posted on the Hospital Council's website and on our site dedicated to insurance enrollment - www.coverage4healthcare.com. Since

2000, the Hospital Council has served as a Facilitated Enrollment Agency, under a New York State Department of Health grant, to assist individuals and families in applying for Medicaid, Child Health Plus, and Family Health Plus.

Requests from organizations for workshops and other similar educational programs will be handled as more details about the Exchange become available and when navigators complete their training. In the meantime, please refer to the materials that will soon be posted on Hospital Council's website or the www.coverage4healthcare.com site. For more details and a broader view of the Affordable Care Act (ACA), which directed the development of New York's exchange, go to the Hospital Council's website, www.nshc.org, and click on the ABCs of health Care Reform and You icon.

Representatives from organizations can e-mail Stacy Villagran, Navigator Program Director, svillagr@nshc.org, and have their educational requests added to a list. Scheduling of any workshops, public presentations, and similar outreach events will not take place until navigator training is completed - early fall at the earliest.

Health Plans Approved

New York State released on July 17, 2013 the list of plans approved to sell insurance products on the online New York State Health Benefit Exchange. Seventeen plans were selected. Individuals, families, and small businesses (less than 50 employees) can begin shopping for insurance on the exchange on October 1, 2013. The insurance purchased becomes effective January 1, 2014. For a list of approved plans go to <http://www.healthbenefitexchange.ny.gov>.

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

AHA Examines Wage Index Issue, Region's Hospitals Provide Input

The Centers for Medicare and Medicaid Services' (CMS) adjustment to Medicare reimbursement rates that compensates for regional differences in labor costs has been the subject of discussion of an American Hospital Association (AHA) Medicare Area Wage Index Task Force. The Medicare Wage Index, as it is known, has been the cause of much frustration among hospitals in different states of the nation and even among hospitals in the same state. Because labor rates vary widely across the country, with the highest-cost regions tending to be concentrated in urban areas, hospitals in some regions receive significantly higher reimbursement rates. New York City and its surrounding metropolitan region are on the high end of the wage index scale.

The AHA's Medicare Area Wage Index Task Force released a proposal earlier this year to narrow the gap between the highest and lowest wage index adjustments. However, the proposal would raise the Medicare reimbursement factor of lower wage areas by redistributing more than \$1 billion from higher wage areas like the suburban regions of Long Island and the lower Hudson Valley. These are the two regions represented by the Suburban Hospital Alliance of New York State, LLC. This is accomplished by raising the wage index floor for rural areas and eliminating all current and future reclassifications to higher wage index regions. The proposal is especially disadvantageous to any hospitals that currently are reclassified to other wage areas.

The Suburban Hospital Alliance determined that the AHA proposal would drain about \$60 million in payments from the region, compounded over a five-year period. In April, the Suburban Hospital Alliance sent a letter to the AHA board chair and officers noting the concerns of hospitals in these regions. Subsequently, the AHA board authorized the creation of the Medicare Area Wage Index Advisory Review Committee. The committee's first order of business was to hold an open session on July 11, 2013 in Chicago to receive input from individual AHA members regarding the Task Force's proposal. Hospital Council and Suburban Hospital Alliance CEO Kevin Dahill testified

before the review committee.

The review committee is considering all comments and reviewed its findings with the full AHA board of directors at their meeting on July 24, 2013. The review committee acknowledges that the wage index is a complex issue and is

committed to working with the hospital field to improve the recommendations. The Hospital Council will keep members updated on this important and evolving issue. – Janine Logan, jlogan@nshc.org.

Insurer Reforms Move Forward in New York State

Numerous bills that passed the 2013 state legislative session are awaiting delivery to the governor. Managed care reform legislation (S.5834, Hannon/A.2691, Gottfried) backed by the Suburban Hospital Alliance of New York State, LLC, and the Healthcare Association of New York State is one on the waiting list. The Suburban Hospital Alliance is the advocacy arm of the Hospital Council and its sister organization the Northern Metropolitan Hospital Association that represents hospitals in the Hudson Valley region. This legislation would require utilization review agents to substantiate pre-authorizations electronically, with some exceptions, and would extend providers' timeframe to file external appeals from 45 days to 60 days. If signed by the governor, the new law would take effect on July 1, 2014.

A managed care reform that took effect July 1, 2013 concerns health plans' unilateral down coding of claims without reviewing a medical record and plans' denial of entire claims based on emergency admission timely notification policies. Both provisions ensure fairer consideration of patients' access to quality care and providers' ability to code and process claims. – Janine Logan, jlogan@nshc.org.

News Briefs . . .

LI Hospitals among the Best . . . according to the 24th annual U.S. News and World Report's Best Hospitals rankings. Facilities identified for excellence in treating the most challenging patients include **Good Samaritan Hospital Medical Center, John T. Mather Memorial Hospital, North Shore University Hospital, St. Charles Hospital, St. Francis Hospital – The Heart Center, Stony Brook University Hospital, and Winthrop University Hospital.** For a complete listing by category go to www.usnews.com/besthospitals. U.S. News surveyed nearly 10,000 specialists and sifted through data for approximately 5,000 hospitals to rank the best in 16 adult specialties, from cancer to urology. Death rates, patient safety, and hospital reputation were a few of the factors considered. Only 147 hospitals were nationally ranked in one or more specialties.

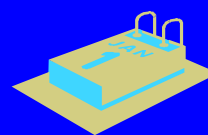
National Quality Award Applications . . . sought for the American Hospital Association's McKesson Quest for Quality Prize. The award is presented annually to honor hospitals pursuing excellence through hospital leadership and innovation in quality improvement and safety. Cash awards and/or merit recognition awarded. To nominate a hospital download an application from www.aha.org/questforquality. Completed applications must be e-mailed by midnight, Central Time, Sunday, October 13, 2013 to questforquality@aha.org.

Top Community Hospital . . . designation goes to Mercy Medical Center. It was ranked one of the "100 Great Community Hospitals" by Becker's Hospital Review. Mercy is the only Long Island metropolitan area hospital and one of two New York state hospitals recognized.

New Name and Brand . . . was unveiled for the association that represents public/safety net hospitals. The National Association of Public Hospitals and Health Systems is now called America's Essential Hospitals.

Insurer Rebates . . . to consumers will total about \$500 million this year. This is according to the U.S. Department of Health and Human Services. About 8.5 million Americans will receive the rebates with an average rebate of about \$100 per family. The rebates are the result of a provision in the Affordable Care Act (ACA) that requires insurers to spend at least 80 cents of every insurance premium dollar on patient care, known as the medical loss ratio. Large employers can pass the rebate along to employees or use it to lower employee premium payments. New York had a medical loss ratio rule in place prior to the ACA.

Revised Sepsis Rule Guidance for Hospitals . . . can be accessed through the Health Commerce System. The New York State Department of Health's revised guidance provides an amended definition of pediatric severe sepsis to include cardiovascular organ dysfunction. Since IPRO will assist the Department of Health with the collection and review of protocols due on September 3, 2013, IPRO will send a separate communication to hospitals with instructions on how to submit the required information.



Mark Your Calendar for NSHC August Events

- Aug. 9 Revenue Cycle Committee, 12:30 p.m.
- Aug. 21 Quality Committee, 10 a.m.
- Aug. 27 Corporate Compliance Committee, 9:30 a.m.

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

NYPORTS Changes . . . effective July 15, 2013 require hospitals to submit their reports using revised the reporting guide and glossary. The revised Reporting Guide and Glossary are available on the NYPORTS bulletin board. Hospitals with questions about the changes can contact the Division of Hospitals and Diagnostic Treatment Centers at 518-402-1004.

Excellence in Stroke Care . . . was achieved by St. Charles Hospital and for the third year the hospital earned the American Heart Association/American Stroke Association's Get with the Guidelines® Stroke Gold Plus Quality Achievement Award. St. Charles was also the first community hospital on Long Island to receive The Joint Commission Advanced Stroke Disease Specific Certification and has achieved this certification since 2008.

Exceptional Volunteerism Continues . . . at John T. Mather Memorial Hospital. In May, the hospital's volunteer contingency passed the three million hours milestone over a span of 55 years. In addition, Mather Hospital's Auxiliary presented the hospital with a check for \$221,000. The funds will be used toward future capital projects at the hospital.

New Infection Reporting Mandate . . . from the New York State Department of Health requires all hospitals to participate in a pilot program to report laboratory carbapenems-resistant Enterobacteriaceae (CRE), effective July 1, 2013 through December 31, 2013. During the pilot phase data will not be publicly reported. Following the pilot, the DOH will discuss the preliminary results with its Technical Advisory Workgroup and make a determination if CRE should be made part of the public infection reporting program in the future.

New Tracking System . . . to locate patients during emergencies and evacuations was recently launched by New York State. The New York State Evacuation of Facilities in Disasters System (NYS e-FINDS) is a secure, confidential, fast, and easy-to-use system to provide real-time access to patient locations.

*** * * Blood Donations Needed * * ***

The blood supply typically drops off in the summer months and this year the region's blood supply and donation schedule is further taxed by the disruptive force of Superstorm Sandy. Please consider scheduling a blood drive at your hospital sometime in the next few weeks. Doing so will ensure that the blood supply does not drop to critically low levels during the remaining weeks of the summer. **Call Karen Muscolino at our region's blood supplier, the New York Blood Center, at 516-478-5038 to arrange a blood drive at your hospital.**

The 2013 Academy for Healthcare Leadership Advancement

Three-day opening session: September 29 – October 1, 2013 • Cornell University, Ithaca, NY
Participants will then engage in six online sessions before returning to Cornell November 10 – 12 for the closing session, project fair, and certificate ceremony. Through the joint sponsorship of Winthrop-University Hospital, HANYS, and the Johnson School at Cornell University, the program has been approved for 50.0 American Medical Association Physicians Recognition Award (AMA PRA) Category 1 Credit(s)TM. Contact: Rachel Hajos (518) 431-7838.

Committee Meetings and Updates . . .

Human Resources: At its June 21, 2013 meeting, the Human Resources Committee received a briefing on workforce proposals under consideration in the Legislature, discussed recent Department of Labor audits, and heard about a HANYS Benefit Services product for physician and executive disability compensation.

Nurse Executives: CNOs were briefed on the progress of the New York State Partnership for Patients quality initiatives, discussed implementation strategies for new sepsis and flu vaccination regulations, and received updates on staffing ratio and safe patient handling legislation.

**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