

# Progress Notes . . . November 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.

## New York Not Extending Insurance Fix; Meanwhile Marketplace Enrollment Continues

Speaking at a recent event, Governor Cuomo said that New York State will not allow an extension of sub-standard insurance policies for one year. These are policies that do not conform to the Affordable Care Act (ACA) essential benefits coverage. Several weeks ago President Obama offered a one-year extension of these cancelled policies as a fix for the millions of Americans who are receiving cancellation notices because their insurance policies are inadequate under the new law. Governor Cuomo said New York's marketplace is operating well and there is no need to change any rules at this time. About 137,000 people in New York received cancellation notices. The White House policy change leaves the provision of the extension at the discretion of state insurance commissioners and finally at the discretion of insurers who have the option to re-issue the sub-standard policies.

Despite this recent policy development, business on New York's marketplace continues at a healthy pace. The New York State Department of Health reports that since the marketplace opened October 1, 2013, 76,177 people enrolled in plans and 267,414 completed applications. The state will now post weekly enrollment updates on its website. A substantial number of those who enrolled in New York's marketplace qualified for Medicaid and Child Health Plus. Applicants can enroll online at [www.nystateofhealth.ny.gov](http://www.nystateofhealth.ny.gov), by phone at 1-855-355-5777, or with the assistance of an in-person navigator.

On Long Island, the Nassau-Suffolk Hospital Council, one of the local hospital associations that is part of the Suburban Hospital Alliance of New York State, LLC, is one of three state-appointed navigator agencies serving this region. The marketplace offers four metal tiers – bronze, silver, gold, platinum – to choose from with different co-pays, deductibles, and out-of-pocket limits. Based on income and family size, applicants may be eligible for premium assistance and/or further cost sharing assistance. Small businesses may be eligible for tax credits. Enrollment continues through March 31, 2014, but for insurance that is effective January 1, 2014 applicants, must apply by December 23, 2013. The December 23<sup>rd</sup> date is the new, extended deadline recently announced by the Obama administration. – Janine Logan, [jlogan@nshc.org](mailto:jlogan@nshc.org).

### *Governor Signs More Health Care-Related Legislation . . .*

**Observation Services Notification:** This new law requires hospitals to provide patients who are placed in observation care with oral and written notification within 24 hours of such placement that the patient is in observation status and not admitted to the hospital as an inpatient. The Department of Health will develop guidance for hospitals for the written notice, which must include a statement that observation status may impact a patient's coverage and the patient should contact their insurer for more information. The original version of this legislation placed more onerous requirements on hospitals.

**Managed Care Reform.** This law requires utilization review agents to substantiate pre-authorizations electronically, with some exceptions, and extends providers' timeframe to file external appeals from 45 days to 60 days. *The Suburban Hospital Alliance was influential in achieving positive revisions to both these pieces of legislation.*

### **Federal Funding Deadlines Threaten Hospitals**

A variety of upcoming federal funding deadlines could wreak havoc on hospitals, as legislators look for ways to reduce the nation's debt and deficit and seek offsets for those reductions. Hospitals remain likely targets and legislators need constant reminders about the threat to patient care and access that could occur if more cuts to Medicare and Medicaid ensue. Keep these deadlines in mind:

**December 3 and January 8** - AHA Advocacy Days. Contact Elyse Oveson, Director of Federal Relations, [evoson@hanys.org](mailto:evoson@hanys.org) (202) 488-1275 for help arranging advocacy opportunities in Washington, DC.

**December 13** – Budget Conference Committee presents budget plan.

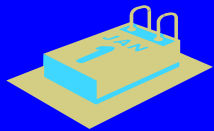
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**December 31, 2013** – Current “doc fix” expires and nation’s physicians could see nearly a 25 percent reduction in Medicare payments. Health committees in each chamber are working on plans to permanently replace the flawed payment system; however, there is no plan to pay for the fix now estimated at \$140 to \$200 billion over 10 years. A temporary one-year patch would cost about \$18 billion.

**January 15, 2014** – Continuing Resolution expires. This is the same day that the next round of sequestration cuts is set to take effect. Hospitals are on the hook for another two-percent Medicare cut. This situation could worsen if legislators decide to modify sequestration and shift additional reductions to providers.

**February 3, 2014** – President releases federal fiscal year 2015 budget. It is anticipated that the President’s budget will include Medicare and Medicaid cuts.

**February 7, 2014** – Debt ceiling limit deadline. Negotiations over this limit could set off another round of debt/deficit reduction tradeoffs, with hospitals vulnerable to more cuts.



## Mark Your Calendar for NSHC December Events

- Dec. 10 HANYS/NSHC Regional Policy Forum
- Dec. 10 Nurse Managers Committee, 12:30 pm.
- Dec. 11 Finance Committee Dinner
  
- Dec. 13 Human Resources Committee, 9 a.m.

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

## Medicare Agency’s Inpatient Status Rule Needs Refinement

The Centers for Medicare and Medicaid Services (CMS) “two-midnight rule” governing short inpatient stays went into effect October 1, 2013, but the agency has delayed enforcement of the rule until April 1, 2014, while it conducts educational audits of hospitals’ short stays. The additional guidance from the agency falls short of definitive direction, says the hospital industry. CMS released its “two-midnight rule” policy in response to providers’ and patients’ confusion about what qualifies as inpatient care versus outpatient care in a hospital for Medicare reimbursement purposes. Patients placed on observation status are at this level of care because the treating physician/care team concludes that more time to observe

symptoms and developments in order to arrive at the correct diagnosis is in the best interest of the patient. Therefore, the length of observation stays varies on a case-by-case basis. The new rule states that only hospital stays that last two-midnights or more are inpatient stays. However, CMS’ guidance on the subjective and often ambiguous issue of patient status remains incomplete and the hospital industry maintains that in the best interest of patients this “two-midnight rule” should be delayed for at least one year. The agency’s determination of inpatient versus outpatient status has implications for provider payment and patient co-payment/deductible responsibilities. – Janine Logan, [jlogan@nshc.org](mailto:jlogan@nshc.org).

## News Briefs . . .

**New Flu Prevention Regulations** . . . that went into effect in July 2013 require all hospital employees to become vaccinated against the flu and/or to wear a surgical mask during flu season while working in areas where patients, residents, or clients may be present. The surgical mask must be worn during the time when the Commissioner of Health determines influenza is prevalent. Also starting this year, hospitals, nursing homes, and other facilities must document the number and percentage of personnel vaccinated against the flu to state and federal authorities. The Hospital Council developed informational materials that explain the sensitive nature of this new policy in a consumer-friendly format. The materials are appropriate for internal/external distribution

### 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

and media placement. Contact Janine Logan, Communications Director, for more info and materials – [jlogan@nshc.org](mailto:jlogan@nshc.org). **Providing Education about the New Health Insurance Marketplace** . . . is one of the objectives of the Nassau-Suffolk Hospital Council. In addition to its role as a state-appointed Navigator Agency for Long Island, the Hospital Council is addressing a variety of professional and public audiences about the mechanics of purchasing insurance from the marketplace, as well as the Affordable Care Act that is driving insurance exchanges and other reforms. Since the marketplace opened on October 1, 2013, Stacy Villagran, director of NSHC's Navigator Program, has presented to a dozen interested audiences assembled at library events, professional educational programs, and other community-based events.

**Hepatitis C Testing** . . . for patients born between 1945 and 1965 takes effect January 1, 2014. The new state law requires hospitals and health service providers to offer hepatitis C testing to the "baby boomer" group.

**Health Care Heroes** . . . recognized at the 2013 Health Care Heroes Awards breakfast sponsored by the Long Island Business News include: **Theresa McKenna PhD, Diabetes Program Coordinator, St. Charles Hospital; The World Trade Center Health Program's Long Island Clinical Center of Excellence, Stony Brook School of Medicine; The Teddy Bear Clinic, Brookhaven Memorial Hospital Medical Center; Ray Williams, DMD, Dean, School of Dental Medicine, Stony Brook University; Lisa Benz Scott PhD, Director, Program in Public Health, Stony Brook University School of Medicine; Carl Zipperlen, Clinical Pharmacist, South Nassau Communities Hospital; Connie Hanes, Director of Volunteer Service, St. Charles Hospital; Healthier U, Stony Brook University Hospital – Healthy and Fit Workplace; Stony Brook University Hospital –**



*Hospital administrators congratulate all the health care heroes. From left: Wendy Darwell, COO/VP, Nassau-Suffolk Hospital Council; Robert Chaloner, CEO, Southampton Hospital; James Caldas, EVP Strategic Planning for Catholic Health Services of Long Island; Gary Schwall, COO of Winthrop University Hospital; Drew Pallas, EVP and CAO St. Joseph Hospital; Dennis Verzi, COO, Catholic Health Services of Long Island; Kevin Dahill, President/CEO, Nassau-Suffolk Hospital Council; and Ken Roberts, CEO, John T. Mather Memorial Hospital.*

**Hospital Award; Barbara Ruvolo RN, Nurse Educator/SANE Coordinator, North Shore University Hospital; Lori Escallier PhD, Associate Dean for Evaluation and Outcomes, Stony Brook University School of Nursing; Alice Nash, MA, Clinical Educator, Winthrop-University Hospital; Jason Layug, RN, Nurse hero, Brookhaven Memorial Hospital Medical Center; Marie**

**Mulligan RN, Chief nursing Officer/VP for nursing, John T. Mather Memorial Hospital; Noreen Grady RN, Nurse Manager, Plainview Hospital; Margaret Hempstead, RN, Nurse Manager, IV Therapy Team, South Nassau Communities Hospital; Anthony Aprile, RN, Administrative Director, Cushing Neuroscience Institute, Southside Hospital; Catherine Videtto, RN, Stroke Program Coordinator, St. Catherine of Siena Medical Center; Elizabeth Chile, NP, Specialty Care Center, St. Charles Hospital; Margaret Duffy, RN, Interim Chief Nursing Officer, Stony Brook University Hospital; William Roberts, RN, Associate Director of Nursing, Stony Brook University Hospital, Ellen Cunningham, RN, Nurse Manager, Pain Management, Syosset Hospital; Richard Schwartz, DO, Medical Director, Cardiac Catheterization Laboratory, Brookhaven Memorial Hospital Medical Center; Alice Kolasa, DO, Director, Palliative Care Medicine Program, John T. Mather Memorial Hospital; David Sedaghat MD, Director, Non-Invasive Cardiology, Southside Hospital; Jerry Ninia, MD, Director, Department of Obstetrics and Gynecology, St. Charles Hospital; Michael Poon, MD, Director of Advanced Cardiovascular Imaging, Stony Brook University School of Medicine; Jean Larsen and Walter Hurney, Volunteer Heroes, John T. Mather Memorial Hospital; Richard Schmidt, Volunteer Hero, St. Charles Hospital**

**Auxiliary of the Year** . . . distinction goes to the **Auxiliary at Eastern Long Island Hospital**. The honor was bestowed upon the hospital's auxiliary by the Healthcare Association of New York State. The award recognizes outstanding achievement and community service.

**Partnership for Patients Success Noted** . . . by the Centers for Medicare and Medicaid Services and the agency will continue the program into 2014. The program – a partnership of the Healthcare Association of New York State and the Greater New York Hospital Association – began as a two-year project to reduce hospital-acquired conditions by 40 percent and readmissions by 20 percent. One hundred seventy-two hospitals in New York State participate in the



program. A few successes to date include: A reduction of 74.71 percent in early elective deliveries; a reduction of 29.46 percent in central line-associated bloodstream infections; a 20.33 percent reduction in ventilator-associated pneumonia; and a pressure ulcer rate of 1.20, which is below the national benchmark of 1.982.

**Governance Survey** . . . was conducted by the Healthcare Trustees of New York State. The survey queried hospital CEOs and board chairs about their governance practices. Some results include: the average size of hospital boards in New York State is 15 members; 52 percent of boards have term limits; 41 percent of boards have adopted a succession plan for board leadership. The survey also revealed that boards need more discussion and focus on strategic issues, a stronger dialogue, and more frequent use of a consent agenda. Board respondents identified physician engagement as a key issue.

## Committee Meetings and Updates . . .

**Corporate Compliance Committee:** The committee on November 19<sup>th</sup> discussed the financial and operational compliance implications of CMS' "two-midnight rule," New York's new observation services law, and state and federal pressures to require hospital pricing transparency.

**Finance Committee:** The November 13<sup>th</sup> meeting focused on Medicaid rate updates, a briefing on the progress of the New York insurance marketplace, and discussion about enforcement of CMS' "two midnight rule," among other topics.

**Quality Committee:** The committee's November 20<sup>th</sup> meeting marked the first session presided over by new committee chair Maryanne Gordon, Administrative Director of Professional and Regulatory Services at John T. Mather Memorial Hospital, who replaces retiring chair Jean Magni. Michelle Goldfarb, Vice President of Quality and Patient Safety at St. Catherine of Siena Medical Center, will serve as vice chair. The agenda included a Partnership for Patients update by HANYS regional coordinator Sharon Kennish, a briefing on the "two midnight rule" and changes in the Joint Commission's National Patient Safety Goals, and discussion about the implementation of the New York State Justice Center mandates.

### *Don't Miss these Exceptional Educational Opportunities . . .*

#### **December 10, 2013 – 9:30 to 11:30 a.m. – Leadership Roundtable Discussion**

Hear from HANYS' President Dennis Whalen, NSHC CEO Kevin Dahill, and senior HANYS leadership about important policy issues and the 2014 health policy environment. Event takes place at the Hospital Council office in Hauppauge.

#### **December 5 – 6, 2013 – SWAT VII: The Journey into Risk: The New Health Care Marketplace and the Impact of the Affordable Care Act**

This members only event takes place at the DoubleTree Hotel, Tarrytown, New York

Register for both programs via [cguyon@hanys.org](mailto:cguyon@hanys.org). 518-431-7834



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For news and updates about the

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they apply to you and your hospital now and in the future. . .



*A public information campaign sponsored by the NSHC Communications Committee*