NASSAU-SUFFOLK HOSPITAL COUNCIL, INC.

1383 Veterans Memorial Highway, Suite 26 Hauppauge, NY 11788 Phone 631-435-3000 Fax 631-435-2343 www.nshc.org

MEMBER HOSPITALS Brookhaven Memorial Hospital Medical Center

East Patchogue

Catholic Health Services of Long Island

- Good Samaritan Hospital
 Medical Center
 West Islip
- St. Catherine of Siena Medical Center Smithtown
- St. Charles Hospital Port Jefferson
- St. Francis Hospital Roslyn
- St. Joseph Hospital Bethpage
- Mercy Medical Center Rockville Centre

East End Health Alliance

- Eastern Long Island Hospital Greenport
- Peconic Bay Medical Center Riverhead
- Southampton Hospital Southampton

Long Beach Medical Center Long Beach

John T. Mather Memorial Hospital Port Jefferson

Nassau University Medical Center East Meadow

North Shore-Long Island Jewish Health System

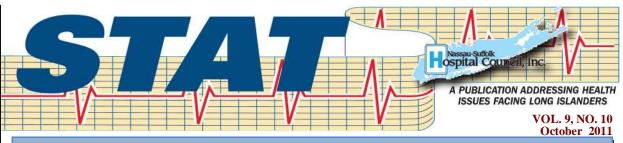
- Glen Cove Hospital
- North Shore University Hospital
- Plainview Hospital
- Syosset Hospital
- Franklin Hospital
- Huntington Hospital
- · Southside Hospital

Stony Brook University Hospital Stony Brook

Veterans Affairs Medical Center Northport

Winthrop South Nassau University Health System

- South Nassau
 Communities Hospital
 Oceanside
- Winthrop-University Hospital
 Mineola



Federal Update: Final ACO Rule Released; Deficit Reduction, Budget Balancing Continue

A climate of savings and efficiencies continues to permeate Washington, DC. The release October 24, 2011 of the Centers for Medicare and Medicaid Services (CMS) final rule on Accountable Care Organizations (ACO) reaffirms regulators' and policy makers' commitment to reducing costs through delivery models that rely on better care coordination, proven evidence-based medicine, quality benchmarks, and overall transparency.

The final rule allays many of providers' initial concerns related to financial risk, assignment of beneficiaries, number of quality reporting measures, caps on shared savings, and earned performance payment withholds, among other revisions. Officially known as the Medicare Shared Savings Program (SSP) for ACOs, the program was designed to encourage primary care doctors, specialists, hospitals, and other health care providers to coordinate their care. The program was authorized under the 2010 Affordable Care Act. For a fact sheet on the rule go to: http://www.healthcare.gov.news/factsheets/2011.

"Super Committee" members continue to meet in Washington. It is expected that the members of the Joint Select Committee on Deficit Reduction will have a plan in place by the end of October so the document can be scored by the Congressional Budget Office. The committee has until November 23, 2011 to deliver the package to Congress and Congress must vote on it by December 23, 2011. Congress has no authority to make any changes to the plan. If the full\$1.2 trillion in savings are not found by the committee, then automatic, across-the-board cuts, including up to two percent to Medicare providers, will go into effect starting FY 2012.

Funding for Federal Government Operations is facing a deadline of November 18, 2011. That's when the stopgap bill approved by Congress in September to keep the government running expires. Lawmakers may use another short-term budget extension as leverage to force more spending cuts. The Medicare and Medicaid programs remain extremely vulnerable. Hospital leaders from throughout Long Island have been urging their congressional representatives to not impose any more cuts to these programs. It's a message they have also asked congressional representatives to bring to the members of the "Super Committee."

Long Island Region News: Hospital CEOs Host Suffolk County Executive Candidate Forum

Both candidates for Suffolk County Executive – Steve Bellone (D) and Angie Carpenter (R) – told CEOs from hospitals in Suffolk County that they realize the county needs a better defined and clearer vision for health care delivery. The forum was sponsored by the Nassau-Suffolk Hospital Council (NSHC) and held at its Hauppauge office on October 18, 2011.

Currently, the county utilizes seven health centers, some in partnership with hospitals, to deliver health care services on a very local level. Some of these centers have suffered cuts under the current county executive and their annual funding is never assured. Both candidates agree that the health system model Suffolk County employs is a good one and brings vital health services to communities in a cost-effective way. Without such centers, residents would over-utilize local emergency rooms, driving up the cost of care for everyone.

Suffolk County residents will elect a new county executive on Tuesday, November 8, 2011. "The winner of that race has a tough job before them," said Kevin Dahill, president/CEO of NSHC, the association that represents Long Island's hospitals.

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