

## 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

VOL. 10, NO.6  
June 2012

## STATE UPDATE: Session Nears Close

With less than two weeks to go before the close of the 2012 legislative session, state legislators and the governor are considering remaining bills and health care policy issues that will have a lasting impact on the provider community long after the gavel is laid to rest. The state's 1115 federal Medicaid waiver, the drug database bill, the telemedicine bill and a variety of other proposals await further debate among legislators and final consideration by Governor Cuomo.

**Medicaid Waiver:** On June 4, 2012, Governor Cuomo announced the state's intention to request a waiver from the federal government that will allow the state to invest up to \$10 billion in savings generated by the Medicaid Redesign Team (MRT) reforms to implement the MRT action plan. That plan promises to transform the state's health care system. The MRT was a workgroup of key providers, payers, consumers, and others formed in 2011 by the governor to collaboratively find ways to improve efficiencies and outcomes and to find savings in the Medicaid program. Seventy-eight recommendations resulted and were approved by the legislature. These are in the process of being implemented. Moving the state out of the fee-for-service model into a managed care model – referred to by the state as “care management for all” – is the key mechanism the state is using to achieve savings and improvements. The next step is the “public engagement process.” Federal rules require that citizens and stakeholders have the opportunity to participate in a range of input sessions. The Department of Health will hold public hearings, an on-line survey, Medicaid beneficiary focus groups, webinars, and tribal consultations. Comments gathered at these sessions will help inform the waiver amendment process. Long Island's hospitals will voice their ideas and opinions about the best ways to spend the waiver monies to ensure that Medicaid beneficiaries maintain access to high quality care and providers obtain the resources necessary to achieve this goal on behalf of Medicaid patients. These include capital for infrastructure and operational redesign, reform of burdensome regulations, and demonstrated commitment to safety net/essential care providers. Find out more about the Medicaid 1115 waiver amendment, opportunities to comment, public engagement, and application submission process at [http://www.health.ny.gov/health\\_care/medicaid/redesign/](http://www.health.ny.gov/health_care/medicaid/redesign/).

**Drug Database:** An agreement reached by state leaders sets up a “real time” database to track prescription narcotics and requires physicians to participate. Pharmacists would also have access. At the outset, the state wants the database updated every 24 hours.

**Telemedicine:** This bill will streamline credentialing procedures for physicians who offer telemedicine services. The bill allows for the sharing of credentials verification paperwork and for peer review and quality assurance activities to be handled by the hospital providing the services.

## FEDERAL UPDATE: Funding Challenges Continue

A proposal aimed at mitigating future drug shortages and another seeking to cut Medicaid to cover the cost of legislation that would prevent a July 1 increase in student loan interest rates, are among the pressing issues before Congress. The House and Senate passed separate versions of legislation that will extend for five years the U.S. Food and Drug Administration's authority to assess user fees on prescription drug and medical device manufacturers. Current legislation expires September 30, 2012. Conferees are working on a compromise bill. Meanwhile, hospitals strongly oppose the measure to reduce Medicaid in order to pay for stopgap student loan legislation.

Moving beyond the summer months, Congress will consider the expiring Bush tax cuts and Social Security payroll tax holiday, as well as the nearly 30 percent cut the nation's doctors will face on January 1, 2013. Any continuation of these measures will require funding. Also that same date, hospitals will absorb another two percent Medicare cut due to automatic sequestration. The industry vehemently opposes further cuts to Medicare/Medicaid to pay for other spending.

*\*Permission to reprint articles granted. Attribution to this publication required.*