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 Fast 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



STATE UPDATE: Positive Outcome for Hospitals

The state legislative session ended on June 21, 2012 with a number of significant legislative victories for hospitals and their patients. Success came by way of passage of several important pieces of legislation and the blockage of several other ones that would prove harmful to hospitals.

Passed Legislation (Highlights)

- Manage care reforms that address plan practices such as unilateral coding adjustments and claims denials
- Observation services bill that aligns state and federal regulations; measures were prompted by the Suburban Hospital Alliance of New York State, LLC.
- Streamlined credentialing and peer review process related to the utilization of telemedicine
- Wage withholding law offering greater clarification on allowable payroll deductions
- Streamlined Doctors Across New York Program (achieved during budget process)

Blocked Legislation (Highlights)

- Overreaching, prescriptive patient handling legislation
- Harmful medical malpractice legislation (four proposed)
- Nurse staffing ratios
- Physician collective bargaining negotiations

Issue to Watch

It is possible that the legislature may reconvene later this year for a special session to consider the following issue:

• Disproportionate share (DSH)/indigent care funding methodologies need to be changed to comply with the requirements of the federal Affordable Care Act. New York can no longer receive federal matching funds for indigent care funding that is distributed according to its current formula, which includes hospitals' bad debts in the calculation.

Medicaid Update

• According to the Department of Health, the Medicaid Global Spending Cap for April 2012 (the first month of the 2012 -2013 fiscal year) was \$30 million or 2.5 percent below projections. The cap for the current fiscal year is \$15.9 billion. A four percent Medicaid increase per year was set in statute in the 2011 – 2012 budget agreement. The state ended the most recent fiscal year \$14 million under global cap projections. Should the cap be pierced, the commissioner of health has broad authority to make unilateral Medicaid cuts.

FEDERAL UPDATE: Supreme Court Rules on ACA

The Supreme Court's decision to uphold the individual mandate means millions of Americans will have access to insurance. Hospitals made a substantial commitment to changing the health care delivery system in exhange for expanded coverage and the influx of newly insured patients that will arrive at hospitals' doors. As New York's insurance exchange continues to unfold, those not covered by employer-sponsored insurance, small businesses and individuals, can look to the exhange for affordable coverage. New York's Medicaid program, now undergoing reform to ensure it is more efficient and more cost-effective, continues to offer low-income individuals and families access to insurance. New York was one of the few states to voluntarily expand its Medicaid program several years ago. However, in many states throughout the nation, the Supreme Court's decision that states cannot be forced to expand their programs will prove a challenge to the ACA's ideals of providing health insurance coverage to all citizens.

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