

NorMet News . . . January 2012

A Monthly Publication of the Northern Metropolitan Hospital Association

NorMet News publication is a summary of regulatory and legislative news, advocacy messages, and other relevant issues affecting the delivery of hospital and health care in the Hudson Valley.

State Budget Process Begins, Hospitals Proceed with Caution

Governor Cuomo's 2012 -2013 proposed budget released on January 17, 2012 does not offer a four percent increase in Medicaid reimbursement to hospitals, but rather increases the state's total Medicaid spending budget by four percent. The state, effectively, has that much more to spend in its entire Medicaid budget. This increase is mostly consumed by the state's continued growth in Medicaid enrollment, which increased by more than 100,000 enrollees over the past year.

Further, the executive budget proposal continues the two-year Medicaid reimbursement cuts and spending cap enacted as part of last year's budget. That translates into a loss of millions for the upcoming state fiscal year to hospitals in the Hudson Valley on top of the \$8.8 million in Medicaid cuts absorbed by these hospitals, as a result of last fiscal year's two percent reduction.

The Medicaid global spending cap also remains in place, as do the far-reaching oversight powers granted to the health commissioner should the cap be pierced. The 2012 -2013 current fiscal year cap is \$15.9 billion and that would grow to \$16.6 billion the next fiscal year. So far, monthly global Medicaid spending reports from the state have remained under the cap. The November 2011 report shows spending at \$4.4 million (less than 0.1%) below expenditure projections for April through November 2011.

The establishment of a New York State Health Benefit Exchange is also included in the executive budget proposal. The governor's budget language reflects the Health Insurance Exchange agreement negotiated between the Assembly and the Senate last spring, which passed the Assembly but was not acted upon by the Senate. New York must have exchange framework in place by January 2013 and the U.S. Health and Human Services secretary must approve it. Otherwise, the Affordable Care Act allows the federal government to operate the state's exchange. New York must also have exchange legislation in place in order to draw down federal funding.

NorMet leadership is working with the Healthcare Association of New York State to more finely review the governor's budget document. More details about the components of the budget and specific advocacy action will follow. – *Janine Logan, jlogan@normet.org*.

New York State Budget Briefing Wednesday • February 1, 2012 • 2:00 to 4:00 PM NorMet Offices in Newburgh

Learn more about policy recommendations in budget, plus discussion of related issues: **CON Reform • Tort Reform • MTA Tax Repeal**

Reserve your seat. Contact mottovan@normet.org or call 845-562-7520.

See page 2 . . . Report from Suburban Hospital Alliance of New York State, LLC and its meetings with legislators in Albany

Group Protects Specific Concerns of Suburban Hospitals

Members of the Suburban Hospital Alliance of New York State, LLC (SHANYS) met with lawmakers and health department officials January 23 and 24, 2012 in Albany. The group of administrators from hospitals as Long Island, secured as well as Dr. Nirav Shah, emphasized to them the hospitals in suburbia. These of Need (CON) reform, more repeal of the MTA employer establishment of State Health



in the NorMet region, as well meetings with key legislators, state health commissioner, and unique concerns that face include additional Certificate meaningful TORT reform, tax on hospitals, and Insurance Exchange.

The Suburban Hospital Alliance was formed in 2006 by the Northern Metropolitan Hospital Association and the Nassau-Suffolk Hospital Council to ensure specific concerns of suburban hospitals were heard by lawmakers in Albany and Washington. In late 2011, it formalized its standing and became known as the Suburban Hospital Alliance of New York State, LLC.



On the Assembly floor are some members of the Suburban Hospital Alliance of New York State, LLC (SHANYS). From left: Joseph Quagliata (South Nassau Communities Hospital, Oceanside, NY); John Collins (Winthrop-University Hospital, Mineola, NY); Kevin Dahill (SHANYS); David DeCerbo (Catholic Health Services of Long Island); Drew Pallas (St. Joseph Hospital, Bethpage, NY); Brian Currie (Long Island Health Network); David Lundquist (HealthAlliance of the Hudson Valley); Wendy Darwell (SHANYS); Anthony Mahler (Westchester Medical Center, Valhalla, NY) Sheila D' Nodal MD (South Nassau Communities Hospital); David Ping (Health Quest); Douglas Melzer (Long Beach Medical Center, Long Beach, NY); William Dauster (Hudson Valley Hospital Center, Cortlandt Manor NY); and Angela Skretta (SHANYS).

Health Care News from Washington DC

State of the Union: President Barak Obama's State of the Union address presented to Congress and the nation on Tuesday, January 24, 2012 did not include any new information about health care and reform. He did indicate, however, he is open to working with Congress to reform entitlement programs, as long as beneficiaries continue to receive the same level of services and benefits.

Physician Pay Cut: The "doc fix" still needs fixing and a Congressional panel has been charged with trying to develop a long-term solution to the looming 27 percent physician pay cut that will take place March 1, 2012. Late in December, Congress approved a two-month reprieve from the 27 percent pay cut that would have occurred January 1. The new deadline is February 29, 2012. Also included in Congress' short-term package, known as the Temporary Payroll Tax Cut Continuation Act of 2011, was an extension of the unemployment insurance and Social Security Tax holiday. House members returned to Washington, DC on January 17 and Senate members returned January 23. Senator Charles Schumer is taking a lead in urging Congressional conferees to reject hospital cuts to fund the "doc fix."

Medicare Payment Advisory Commission (MedPAC): The actions of this independent body are of concern to hospitals because the commission's recommendations could be taken into consideration by the Congressional panel that is looking for a solution to the physician pay cut and ways to fund that solution. Earlier this month, MedPAC recommended a new inpatient coding offset and a drastic reduction in Medicare reimbursement to hospital outpatient departments for common clinic "evaluation and management" services.



The Quality Corner

An update on quality reporting measures

Mary Jane Milano, Director

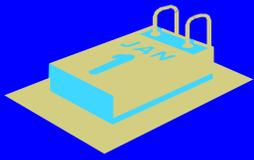
Medicaid Quality Measurement Program: On December 26, 2011, the Department of Health and Human Services (HHS) issued a final notice announcing an initial set of 26 quality measures for Medicaid-eligible adults for voluntary use by state Medicaid agencies. Included in this set are measures covering prevention and health promotion, management of acute and chronic conditions, care coordination, family experiences of care and availability, The Patient Protection and Affordable Care Act required HHS to establish by January 1, 2012 a Medicaid Quality Measurement Program to fund development, testing and validation of evidence-based measures. CMS plans to release by September 2012 technical specifications as a resource for states that seek to voluntarily collect and report the initial core set of quality measures. By January 1, 2013 the agency will issue guidance for submitting the initial core set in a standardized format.

The HANYS Diabetes Campaign, sponsored by the New York State Health Foundation, has been awarded a third grant to continue its work through the end of March 2013. This grant allows providers to benefit from new chronic care management resources for primary care clinics and offices. The campaign provides technical support including application costs for the National Committee for Quality Assurance Diabetes Recognition Program and will provide chart abstraction assistance as well.

The Joint Commission's Patient Centered Communications Standards go into effect July 2012. The Joint Commission issued a free monograph entitled "Advancing Effective Communication, Cultural Competence, and Patient- and Family- Centered Care: A Roadmap for Hospitals" which provides recommendations to help hospitals address unique patient needs and meet and exceed compliance with the patient-centered communication standards.

Member Hospitals

Benedictine Hospital
Blythedale Children's Hospital
Bon Secours Community Hospital
Burke Rehabilitation Hospital
Catskill Regional Medical Center
Ellenville Regional Hospital
Good Samaritan Hospital
Helen Hayes Hospital
Hudson Valley Hospital Center
Keller Army Community Hospital
The Kingston Hospital
Lawrence Hospital Center
The Mount Vernon Hospital
The New York Presbyterian Hospital Westchester Division
Northern Dutchess Hospital
Northern Westchester Hospital
Orange Regional Medical Center
Phelps Memorial Hospital Center
Putnam Hospital Center
St. Anthony Community Hospital
Saint Francis Hospital
St. Joseph's Medical Center
St. Luke's Cornwall Hospital
St. Vincent's Westchester (Division of St. Joseph's Medical Center)
Sound Shore Medical Center of Westchester
Vassar Brothers Medical Center
VA Hudson Valley Health Care System
Westchester Medical Center
White Plains Hospital Center



Mark Your Calendar for NorMet Events in Feb/Mar 2012

- Feb. 1 NorMet/HANYS Legislative Briefing 2 – 4 p.m.
 - Feb. 1 Communications Committee meeting, 12:30 p.m.
 - Feb. 17 NorMet Board of Directors meeting,
 - Mar. 2 Medical Directors Committee meeting
- Meetings for NorMet members only and are held at NorMet offices in Newburgh unless otherwise noted. To register/info call: 845-562-7520.

Medicare Payment Advisory Commission directed the Health and Human Services secretary to implement a value-based purchasing program for Ambulatory Surgery Centers (ASCs) no later than 2016. Earlier in January, the agency recommended a 0.5% update for ambulatory surgery centers (ASC) in calendar year 2013. Although Hospital Inpatient Quality Reporting was mandated by Congress in 2003 and Hospital Value-Based Purchasing will affect hospital inpatient payment in federal fiscal year 2013, quality reporting for ASCs will start October 1, 2012 and affect payment decisions for the calendar year 2014.

News Briefs . . .

Hospital Trustee . . . John W. Neubauer from Putnam Hospital Center joins the 2012 Healthcare Association of New York State board of governors.

A Parade of Roses . . . for Catskill Regional Medical Center. On January 2, 2012 Catskill Regional Center was recognized during the Tournament of Roses Parade in Pasadena, CA. As a hospital that participates in the Center for Donation and Transplant’s “Flags Across America” program, the medical center received a rose with a hand-tied ribbon displaying the medical center’s name in the Memorial Rose Garden on the Donate Life Float titled “One More Day.”

A Donation of \$35,000 . . . from the Northern Dutchess Hospital Auxiliary for a new Wound Care Center was recently presented to the hospital. The donation is part of a larger \$100,000 pledge.

HANYS 2012 Community Health Improvement Award Nominations . . . deadline is March 12, 2012. All HANYS’ members are eligible to apply for the 2012 Community Health Improvement Award, which recognizes outstanding initiatives by members to improve the health and well being of

their communities. Electronic submissions are required. Go to www.hanys.org for more information and an application.

Patient Safety Institute Committee Meetings

Patient Falls Committee

February 3

Patient Safety Committee

February 3

Surgical Site Infection Committee

February 7

Board of Directors and Clinical Advisory Council

March 2

**In order that your hospital may enjoy the confidential and privileged nature of these discussions, ONLY staff from hospitals that have fully executed their Confidentiality and Participation Agreements with the Institute will be permitted to participate in these meetings.*



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