

NorMet News . . . January 2013

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.

Hospitals Pushed to the Edge of the “Cliff”

As the 112th Congress closed on January 1, 2013 its final order of business was passage of the American Taxpayer Relief Act. This legislation prevented a full fall over the “fiscal cliff.” However, the budget deal did not address the automatic two-percent sequestration cuts to Medicare provider payments (worth \$255 million to hospitals in the NorMet region). Instead, Congress will debate sequestration in two months when it also tackles the need to raise the debt ceiling. Following on the heels of these two contentious issues is the expiration of the current continuing resolution – the legislation that authorized funding of the government until March 27, 2013. There is a voracious appetite for deficit reduction and spending cuts in Washington, leaving Medicare and Medicaid likely targets.

The “fiscal cliff” fix permanently extended the Bush-era tax cuts for individuals earning less than \$400,000 annually (\$450,000 for couples), postponed the 26.5 percent Medicare reimbursement cut to physicians for one year, and extended long-term unemployment benefits for one year. Numerous other expiring provisions in Medicare and tax law were enacted.

Hospitals were not spared from all cuts and will absorb about \$30 billion to offset the cost of the physician reimbursement fix. About \$24 billion of the cut will come from reinstatement of the Medicare inpatient coding offset. The federal government’s rule making body for health care, the Centers for Medicare and Medicaid Services (CMS), had long held that hospitals’ coding for severity of illness was not appropriately reflective of patients’ acuity and moved to adjust/recoup payments to hospitals. However, as more patients are treated in outpatient settings those left for inpatient care are the more complex patients and the severely ill whose care is more costly and complicated. CMS recently relaxed its view about such coding; Congress, with passage of the American Taxpayer Relief Act, essentially dismissed that view.

Additional funding for the “doc fix” comes from the addition of one more year in disproportionate share cuts (DSH) to hospitals. The Affordable Care Act (ACA) calls for DSH reductions for 10 years but Congress extended the cuts through 2021 last year; this legislation extends the cuts to 2022. DSH payments are made to hospitals to partially subsidize the cost of caring for the indigent and uninsured.

Superstorm Aid and Recovery Update: As one of its first orders of business in the new Congress, the House passed \$50 billion in emergency aid. This is in addition to the \$9.7 aid request Congress passed on January 4, 2013. Those funds replenished the National Flood Insurance Program. Thousands of hospital workers, mostly in the hardest hit areas, lost homes and other property due to the storm. The **Hurricane Sandy Health Care Employee Relief Fund** was established by regional and state hospital associations, including the Northern Metropolitan Hospital Association, as well as the American Hospital Association, to provide assistance to these impacted employees. To donate, visit: http://www.uhfnyc.org/hurricane_sandy_relief_fund. The United Hospital Fund is receiving the charitable donations. Hospital CEOs should submit names of impacted employees to UHF and grants will be disbursed to facilities for distribution to employees. – Janine Logan, jlogan@normet.org.

Hospitals Prepare for 2013 State Legislative Season

With the continuation of the state’s four percent yearly cap on Medicaid spending, hospitals’ advocacy focus for the 2013 legislative session will turn more toward policy and regulation. However, with the end of the original two-year state Medicaid budget agreement, hospitals do not know if more budget cuts will occur or whether the Medicaid trend factor will be affected, when the Governor and legislature agree on a final budget in the spring.

Health care references in Governor Cuomo’s State of the State address were limited to proposed regulations concerning sepsis recognition and treatment at hospitals and more Certificate of Need (CON) reform related to location and infrastructure vulnerabilities for new construction and hospital expansion projects. This is in response to changing climate conditions the region has encountered in the past couple of years – namely

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Hurricanes Irene and Sandy. A similar provision was included in the state's Public Health and Health Planning Council's final report on CON and governance issued January 16, 2013.

Concurrently, the recent enactment of New York's Secure Ammunition and Firearms Enforcement (SAFE) Act includes provisions related to mental health. The law, which is now the toughest gun law in the nation, expands Kendra's Law and relies on mental health professionals to notify authorities about individuals considered to be dangerous, for the removal of guns and gun licenses. Some mental health professionals fear the law's notification policy will dissuade patients from

speaking the truth about their violent thoughts that are self-directed or focused on others. Kendra's Law, originally enacted in 1999, pertains to the provision of mandated assisted outpatient treatment for the mentally ill who pose a danger to themselves and others.

Hospital advocates are watching other potential legislative and policy developments, including reform of the disproportionate share methodology to conform to federal regulations, the commissioner's super powers provision, board governance and executive compensation policies, medical malpractice reform, staffing ratios and scope of practice issues, among other concerns.- Janine Logan, jlogan@normet.org.

Suburban Hospitals Expand to Joint Advocacy Initiatives

NorMet and its sister organization the Nassau-Suffolk Hospital Council plan to influence Albany and Washington lawmakers with their combined strength on all advocacy issues

Leadership of the Northern Metropolitan Hospital Association (NorMet) and the Nassau-Suffolk Hospital Council (NSHC) recently announced the expansion of the associations' joint advocacy initiatives under the umbrella of the **Suburban Hospital Alliance of New York State, LLC**. The decision follows two years of joint advocacy activities in which the two hospital associations concurrently advocated for their members as NorMet, the NSHC, and the Suburban Hospital Alliance. Moving forward all advocacy activities for the 51 hospitals represented by NorMet and the NSHC will be directed by the Suburban Hospital Alliance. NorMet and NSHC retain their respective boards and remain two distinct associations representing hospitals in their respective regions.

"The Suburban Hospital Alliance presents a strong voice in Albany and in Washington, DC," said Kevin Dahill, president/CEO of the two hospital associations and principal of the Suburban Hospital Alliance. "Elected leaders from the two regions represented by the Suburban Hospital Alliance present a formidable and powerful voting bloc, as they speak on behalf of 5.1 million New Yorkers – a quarter of the state's total population."

The environment in Albany and Washington is very much focused on debt and deficit reduction and health care remains a vulnerable target for Medicare/Medicaid cuts to providers. New York is in the midst of historic Medicaid reform and payment transformation, as is the nation's Medicare program under provisions of the Affordable Care Act (ACA). The ACA is also ushering in a bevy of insurance reforms, most notably state insurance exchanges, and other coverage mandates and consumer protections that will forever change the way care is delivered and paid for in this country, says Dahill. "While the Suburban Hospital Alliance exists to protect the interests of hospitals and the patients they treat, we also want to help lawmakers and regulators develop sound and reasonable health care policy that meets the needs of all interests involved," said Dahill.

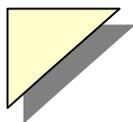
In the Hudson Valley, the Suburban Hospital Alliance includes 27 hospitals located in seven counties – Westchester, Orange, Putnam, Rockland, Dutchess, Ulster, and Sullivan. This is the region serviced locally by the Northern Metropolitan Hospital Association (NorMet). On Long Island, it includes 24 hospitals in two counties – Nassau and Suffolk. This is the region serviced locally by the Nassau-Suffolk Hospital Council (NSHC).

NorMet and the NSHC worked informally since 2006 on joint advocacy activities and formally organized these advocacy activities in 2011 under the Suburban Hospital Alliance of New York State, LLC. Hospitals in these two suburban regions share common interests that are distinct from issues that affect hospitals in urban and rural areas. Some of these defining issues include wage and workforce differences, excessive malpractice costs, and prohibitive Certificate of Need provisions. – Janine Logan, jlogan@normet.org.



Suburban Hospital Alliance Advocacy Kick-Off • February 11 – 12 in Albany

Coordinating Council Meeting for CEOs, Key educational meetings for Member Presidents, CEOs, Executive Directors, and Government Affairs Directors are being arranged with NYS Department of Health Commissioner Shah, Senator Kemp Hannon, Assembly Majority Leader Joe Morelle and others. For detailed agenda and questions contact: Angela Skretta (845) 562-7520. **Part Two Advocacy Events . . . March 5 - 6 in Albany.** Mark your calendars now.



The Quality Corner

An update on quality improvement issues

Mary Jane Milano, Director

National Safety Goal: The Joint Commission is seeking comments on its proposed 2014 National Patient Safety Goal on Alarm Management. The proposal, for the critical access hospital and hospital accreditation programs, focuses on alarm management in relation to patient safety and consists of five elements of performance including establishing alarm safety as a priority; preparing an annual inventory of alarms and identifying the default alarm settings; identifying the most important alarms to manage; establishing policies and procedures for managing these alarms; and educating staff about alarm policies and procedures.

The Centers for Medicare and Medicaid Services (CMS) sent a letter to state Medicaid programs describing a core set of eight recommended quality measures for health home services. The measures apply to Medicaid-eligible children and adults, and align with the initial core set of health care quality measures for Medicaid-eligible adults, meaningful use measures and the National Quality Strategy. Once the core set is finalized through the rulemaking process, states will be required to report on these measures, which will be used to assess health home program outcomes. The eight recommended measures are:

- Adult body mass index assessment
- Ambulatory care — sensitive condition admission
- Care transition — transition record transmitted to healthcare professional
- Follow-up after hospitalization for mental illness
- Plan — all cause readmission 6. Screening for clinical depression and follow-up plan
- Initiation and engagement of alcohol and other drug dependence treatment
- Controlling high blood pressure

MOLST Update: More and more hospitals are providing additional palliative care services as they prepare to play a larger role in population management. The New York State MOLST (medical orders or life sustaining treatment) helps physicians and other providers ensure that patients' wishes for end-of-life care will be identified and honored, regardless of where they are receiving care. There is now a state wide, secure web-based application, eMOLST, that allows enrolled users to complete the MOLST form and MOLST chart documentation form (goal for care discussion and legal requirements) for their patients. The forms are created as pdf documents that can be printed for the patient and a paper-based medical record, stored in an EMR and included in the NYS eMOLST registry. For further information contact Mary Jane Milano, 585-721-1078.

Quality Data: Electronically reporting quality measures may not produce valid data, according to a study in *Annals of Internal Medicine*. Researchers compared manual review and electronic reporting of 12 quality measures for adult patients at a federally-qualified health center with an electronic health record in 2008.

Electronic reporting (EP) yielded significantly different results compared with manual review for these measures: the rate of appropriate asthma medication: 33percent via EP vs.77 percent from manual review; rate of pneumococcal vaccination 27 percent via EP vs. 48 percent from manual review; cholesterol control in patients with diabetes: 57 percent via EP vs. 37 percent from manual review.

The results have important implications for CMS and its efforts at combining Inpatient Quality Reporting with quality reporting required as part of meaningful use of electronic health records. – Mary Jane Milano, mmilano@normet.org.

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
White Plains Hospital

Outstanding Quality Event Set for January 30th . . . Mark Your Calendar

Promoting Professionalism and Professional Accountability: Dealing with Behaviors
that Undermine a Culture of Safety Half-day retreat offered by Gerald Hickson, MD,
Wednesday, January 30, 2013 9 a.m. to 1 p.m., Doubletree, Tarrytown, NY

Dr. Hickson is Assistant Vice Chancellor for Health Affairs, Associate Dean for Faculty Affairs, Joseph C. Ross Chair in Medical Education and Administration, and Director of the Center for Patient and Professional Advocacy at Vanderbilt University Medical Center. The program is a joint initiative of the NorMet Hospital Association and the NorMet Patient Safety Institute and is the final segment in a series of informative discussions with nationally renowned physician leaders.

Continental breakfast and luncheon provided. Register: motttvan@normet.org; 845-562-7520

News Briefs . . .

Economic Development Funding . . . will bring \$92.8 million to the mid-Hudson region through round two of Governor Cuomo's Regional Economic Development Council initiative. The awards were announced in December 2012. Health care related projects are: \$1 million for Touro College to re-model the now vacant Horton Hospital in Middletown into a school of osteopathic medicine, \$2 million to develop the site of the closed Harlem Valley Psychiatric Center in Dutchess County, \$1 million to Sound Shore Medical Center toward the construction cost of a parking garage, which will be associated with a new medical office building, \$1 million to Northern Westchester Hospital toward construction costs for six operating rooms, 13 post-anesthesia care units and new surgical space, \$2 million to fund a project focused on the Post Road corridor in White Plains, including redevelopment of White Plains Hospital, and \$500,000 to Bon Secours Charity Health System's Good Samaritan Regional Medical Center for construction of a medical office building to house a regional cancer center, medical reference lab, and physicians' offices.

State Insurance Exchange . . . received conditional approval from the Department of Health and Human Services in December 2012. New York's approval is contingent upon timely demonstration of the exchange's ability to perform all required activities in line with the attestations New York has made in its exchange blueprint application submission; and ongoing compliance with future guidance and regulations. The exchanges begin enrolling eligible individuals and businesses this October and will be fully operational January 2014.

Medicaid Global Spending Cap . . . remains in check. According to the New York State Department of Health, expenditures are \$35 million (0.4 percent) under projections for the first seven months of the state fiscal year.

Gold Seal of Approval . . . designation from The Joint Commission was awarded to Sound Shore Medical Center for its Joint Solutions Program. Sound Shore is one of only 307 hospitals nationally to meet certification in both hip and knee joint replacements and one of only 12 in New York and the first and only hospital in Westchester County to earn this dual distinction.

Elder Care Excellence . . . recognition goes to Catskill Regional Medical Center. It received designation as a Nurses Improving Care for Healthsystem Elders (NICHE) site. This designation signifies a commitment to a patient-centered care for older adults.

Federal Grant for HIV Care . . . was awarded to Mount Vernon Hospital. The facility received a \$500,000 five-year federal HIV/AIDS grant to continue its highly successful Health Intervention and Prevention Program (HIIP). The hospital was one of only 52 across the nation to receive this funding through the Department of Health and Human Services – Substance Abuse and Mental Health Services Administration.

Healthcare Trustees of New York State . . . announces the appointment of the Honorable Robert Spolzino, board chair at Northern Westchester Hospital, to its 2013 governing board.

HANYS 2013 Health Improvement Award . . . nominations are sought. The award recognizes outstanding initiatives by members to improve the health and well-being of their communities. All NorMet/HANYS members are eligible to apply. Application deadline is March 11.

Savings on Health Insurance Premiums . . . total \$500 million, according to Governor Cuomo's office. This is the amount of money New Yorkers can expect to save in 2013 because of the Department of Financial Services cuts to insurers' rate increases. New York State enacted its prior approval law in 2010.

Doctors Across New York . . . third cycle of funding applications is due March 29, 2013 and must be submitted electronically. The application has been streamlined and now includes only one application for either practice support or loan repayment funds.

Workforce Information Survey . . . assists in advocacy efforts. Hospitals are urged to complete the 2013 Nursing and Allied Health Workforce Advocacy Survey by February 15. The Northern Metropolitan Hospital Association/HANYS survey is being done in conjunction with the State University of New York Center for Health Workforce Studies, Greater New York Hospital Association, Iroquois Healthcare Alliance, Nassau-Suffolk Hospital Council, Rochester Regional Healthcare Advocates, and Western New York Healthcare Association. Direct questions to: Sherry Chorost schorost@hanys.org or Cindy Levernois, cleverno@hanys.org.

Cost Containment Activities . . . go national. A State Health Care Cost Containment Commission that is now working to develop practical state policies to contain health care costs was recently formed. The initiative is funded by Kaiser Permanente and the Robert Wood Johnson Foundation. Former U.S. Secretary for Health and Human Services Mike Leavitt and former Colorado Governor Bill Ritter will co-chair the commission. It will include representatives of doctors, hospitals, consumers, insurers, employers, and state and federal health care officials. The state of Massachusetts enacted a broad health care spending cap last year.

Historic National Cancer Prevention Study . . . involves six hospitals in the NorMet region. The American Cancer Society's Epidemiology Research Program will be enrolling participants for their newest research study, the Cancer Prevention Study-3 (CPS-3). The study will follow participants for 20 years in an effort to figure out who gets cancer and why. Weight and physical activity will be a major focus of the study, but other behaviors, including the use of medications, will be examined as well. NorMet member hospitals participating in the study are **Hudson Valley Hospital Center, Lawrence Hospital, Northern Westchester Hospital, Orange Regional Medical Center, Phelps Memorial Hospital Center, and St. Luke's Cornwall Hospital**. For more information go to:

<http://www.cancer.org/Research/ResearchProgramsFunding/Epidemiology-CancerPreventionStudies/CancerPreventionStudy-3/cps3-locations#ny>



Go to www.normet.org and click on this Vet Connect icon to find online links to hospitals' job banks, health care services, and other community resources. The initiative is coordinated by NorMet and members of its Communications Committee. The Vet Connect icon is also located on each member hospitals' website.

Committee/Meeting News . . .

The NorMet Hospital Leadership Retreat is set for Wednesday, January 30, 2013 from 9 a.m. to 1 p.m. at the DoubleTree Hotel, 455 South Broadway, Tarrytown. Member hospital CEOs, medical directors, and other administrative leaders will participate in a program entitled *Promoting Professional Accountability: Dealing with Behaviors that Undermine a Culture of Safety*, presented by Gerald B. Hickson, M.D., the Joseph C. Ross Chair in Medical Education and Administration, Associate Dean for Clinical Affairs, Director of the Vanderbilt Center for Patient and Professional Advocacy, Director of Clinical Risk and Loss Prevention, Professor of Pediatrics and Associate Professor of Family and Health Systems Nursing at Vanderbilt University School of Medicine.

Regional Policy and State Budget Briefing will take place at the NorMet offices on Friday, February 1, 2013 from 12:30 pm. to 2:30 p.m... This year's state budget will address significant policy issues, including the Medicaid Global Spending Cap, Commissioner of Health super powers provision, access to capital, governance and executive compensation, health planning, and certificate of need reform. HANYS representatives with NorMet staff will present the briefing. Register via Mindi Ottavan at mottavan@normet.org 845-562-7520.



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