

NorMet News . . . July 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.

Health Care Reform Post-SCOTUS Decision: Considerations for Hospital Industry

The Supreme Court of the United States' decision on June 28, 2012 to uphold the individual mandate, the central piece of the Obama administration's 2010 Affordable Care Act (ACA), moves patients and providers into the next phase of health care reform. Although the individual mandate survived, the requirement that states expand their Medicaid programs to an eligibility level of 133 percent of the federal poverty level (FPL) or lose all Medicaid funding did not. Instead, the court ruled that the federal government was incorrect to "coerce" states into insurance expansion compliance by threatening the loss of all federal Medicaid dollars.

The court's final ruling allows states the option to expand Medicaid programs. If states choose not to expand coverage as outlined by the law, then only new federal Medicaid monies that are tied to expansion would be lost. A handful of states have already vowed to not expand their Medicaid programs. New York had previously expanded its Medicaid program to 133 percent of the FPL and federal monies for its expansion efforts are not in jeopardy.

On the national level, lack of unified expansion by states reduces the overall number of American citizens expected to gain coverage when the mandate, Medicaid expansion, and insurance exchanges begin in 2014. When the ACA was negotiated back in 2009, the hospital industry agreed to reductions in Medicare/Medicaid reimbursements, as well as reductions to disproportionate share (DSH) dollars, in exchange for the influx of newly insured patients. Without unified expansion, those new numbers of insured are not guaranteed nationwide.

In New York, however, thousands of currently uninsured are expected to obtain some level of insurance coverage by 2014. While hospital leaders generally see this as good, they remain concerned about the availability of enough primary care providers to tend to these new patients. Statewide there remains a dearth of primary care providers, especially in rural areas, including some rural areas of the Hudson Valley region.
– Janine Logan, jlogan@normet.org.

State Legislative Session Ends on Hopeful Note 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)

The managed care reforms were delivered recently to Governor Cuomo. These were included in the second package of bills that the governor will consider. Governor Cuomo has until August 1st to act on these bills. Other passed legislation will be delivered to the governor throughout the summer months.

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. – Janine Logan.
jlogan@normet.org.

Region's Hospitals Vow to Help Veterans

Web-based initiative offers online one-stop service to veterans' job, health, community resources

The NorMet Hospital Association, in conjunction with its member hospitals, officially launched **Vet Connect** – an initiative to raise awareness about the employment, health, and resource needs of veterans in the Hudson Valley region, particularly returning veterans.

Vet Connect can be accessed via NorMet's home page at www.normet.org. Once users click on the **Vet Connect** icon, they are brought to interior pages that provide direct links to hospitals' job banks, military skills translation assistance, and health care career training programs for veterans. The service is also accessible via hospitals' websites. Look for the **Vet Connect** logo.

"Our hospitals recognize the extraordinary service our veterans have made to our country," said Kevin Dahill, president/CEO of NorMet. "All of our hospitals are committed to assisting veterans with their employment and health care needs. **Vet Connect** is a simple to use, one-stop resource for veterans that puts helpful information at their fingertips."

Gerry Culliton, director of the VA Hudson Valley Health Care System, was instrumental in initiating and coordinating this project.



Quality Report Cards, Rankings Propel Performance Improvement

Recent news reports about quality report cards and hospital rankings remind hospital leaders of the importance of tracking data to ensure continuous quality improvement and enhanced patient safety. Although such report cards and ranking agencies may extract data from similar sources, the way such entities analyze and report the data often differs. The resulting report cards lack uniformity and standardization, making it difficult for providers and patients to make reliable comparisons.

Hospitals in the Hudson Valley are vigilant in their data collection and reporting practices and work collaboratively to share best practices all in an effort to enhance patient care at each of their facilities. As the

health care delivery system transitions from a volume-based model to a value-based model, clinical outcomes, while first and foremost drive improvements in care, will also drive reimbursement and portend the very economic survival of hospitals.

In particular, Medicare’s value-based purchasing program, which hits full force in January 2013, will have a direct impact on hospitals’ bottom line. Quarterly reports provided by the Healthcare Association of New York State (HANYs) provide members with *preliminary data* on their VBP performance and provide hospital planners with a window into what the world of hospital reimbursement for their institutions will look like in the very near future. By comparing previous Centers for Medicare and Medicaid (CMS) Hospital Compare baseline data to an active reporting period, the Quality Department at HANYs runs useful reports. While a facility may fare very well in one measure during a specified quarter, that same hospital can slip in its rank the next quarter. Variations in patient acuity can account for these changes, but these preliminary VBP reports are helpful in pointing out these changes so that hospitals can readjust patient safety and care practices in the hopes of achieving a consistent top rank quarter after quarter.

“These reports are extremely helpful for internal planning and quality improvement initiatives,” said Angela Skretta, vice president of NorMet and executive director of the NorMet Patient Safety Institute. “CMS makes VBP results public next year. Those reports will be the ones the public sees and upon which hospitals’ reimbursement is calculated.”

Sound Shore’s Immunization Program Wins HANYs Improvement Award

Sound Shore Medical Center’s Outpatient Pediatric Immunization Program won the 2012 Healthcare Association of New York State’s (HANYs) 2012 Community Health Improvement Award. The award was presented to representatives of the medical center at HANYs annual meeting held June 27 and 28 at the Sagamore Inn, Bolting Landing, NY.

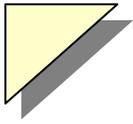
The winner is chosen by a committee of national health care professionals. The award recognizes outstanding initiatives that improve the health and well being of communities. Sound shore’s winning program demonstrated leadership with a long-term commitment to childhood immunizations. It also showcased collaboration with area agencies to ensure success, and, most importantly, achieved impressive results through increased immunization rates for children from birth through two years of age. The program had a 100 percent increase in immunizations within a two year period and achieved a success rate of 94 percent for children 12 months of age who completed the series of vaccinations recommended by the Advisory Committee on Immunization Practices.

“Sound Shore’s Outpatient Pediatric Immunization Program is a great example of the innovative programs that hospitals are creating across the state to address critical issues within their communities,” said Dan Sisto, president of HANYs.

- 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 Center



At left: Sound Shore Medical Center Vice President of Nursing, Lori Baker-Stone, accepts the 2012 HANYs Community Health Improvement Award from Joseph McDonald, President/CEO of Catholic Health System.



The Quality Corner

An update on quality reporting measures

Mary Jane Milano, Director

2013 Medicare Prospective Payment System proposed rule issued this spring called for the addition of several Hospital Acquired Conditions (HACs): Surgical Site Infection Following Cardiac Implantable Electronic Device Procedures and Iatrogenic Pneumothorax with Venous Catheterization. Similar to the other 10 HACs, hospitals will not be paid the additional costs associated with these conditions unless the conditions were present on admission. CMS has drafted a crosswalk of ICD-9 codes to ICD 10 codes that define Hospital Acquired Conditions. The crosswalk can be found at http://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/HospitalAcqCond/icd10_hacs.html CMS proposed to delay the implementation of ICD-10 codes until October 2014.

Outpatient Prospective Payment System (OPPS) and Ambulatory Surgical Center (ASC) proposed rule for calendar year (CY) 2013 were released by Centers for Medicare and Medicaid (CMS) on July 7, 2012. The proposed rule includes information about quality reporting for outpatient care, ambulatory surgery, and inpatient rehabilitation facility care. CMS confirmed for calendar year 2014 and beyond the suspension of an outpatient quality measure for a Transition Record Received by Discharged Patients noting that hospitals should not submit a null value because the lack of data for this measure will cause the submitted case to be rejected entirely from the data warehouse. The rule also proposes deferring data collection of an outpatient measure on Cardiac Rehabilitation Care. No new outpatient quality measures were proposed for calendar year 2014 or 2015.

Medicare Program: Home Health Prospective Payment System Update for CY 2013 and Hospice Quality Reporting proposed rule was released on July 13, 2012 by CMS. The Affordable Care Act authorized a quality reporting program for hospices beginning with federal fiscal year 2014. Hospices that do not comply with the quality data submissions will have their annual payment update reduced by two percent. CMS previously finalized requirements affecting payment in fiscal year 2014 where hospices must report on two measures: pain management and whether or not the hospice participated in a quality assessment and performance improvement program that addressed at least three indicators related to patient care. CMS proposed that hospices be required to meet these same two measures for their fiscal year 2015 annual payment update. CMS also proposed that hospices submit a patient level data set possibly as early as calendar year 2014, which would include information on patients treated with an opioid; pain screening; pain assessment; dyspnea treatment and dyspnea screening.

The New York State Department of Health just released a listing of quality indicators that will be used to track quality of care for **Medicaid recipients** over the next decade. The indicators are segmented into the three categories mirroring the “triple aim” - improving care, improving health, and reducing costs. In total, there are 44 indicators including indicators related to preventive care, primary care, chronic care, mental health, substance abuse, long-term care, patient preferences, health care reform, and preventable events. For each indicator, the document lays out New York State performance in 2009 through 2011, and sets performance goals for 2013, 2015, 2017, and 2020.



Mark Your Calendar for NorMet Events

Sept. 7 NorMet Board of Directors, 9 a.m.

See last page for meeting dates for the **NorMet Patient Safety Institute**

Meetings for NorMet members only and are held at NorMet offices in Newburgh unless **otherwise** noted. To register/info call: 845-562-7520.

News Briefs . . .

Discussing Emergency Medicine . . . was *Hudson Valley Hospital Center's (HVHC)* Dr. Ron Nutovits at the International Conference on Emergency Medicine held June 27 to 30, 2012 at the Convention Center in Dublin, Ireland. Dr. Nutovits is chair of the HVHC emergency medicine. He presented a paper on the hospital's no-wait ED. Hudson Valley Hospital Center was chosen from among thousands of hospitals in the United States, Europe and the world to present at the conference. HVHC was the first in the region to open a no-wait ER in 2005. Also

presenting were President John Federspiel and Clinical Nurse Manager Donna Rosenberg.

Nationwide Patient Care Initiative Participants . . . are *Catskill Regional Medical Center and Orange Regional Medical Center*. These facilities were chosen to participate in the American Organization of Nurse executives (AONE) Center for Care Innovation and Transformation (CIT) initiative. This nationwide initiative provides opportunities for nursing leadership in driving innovation and culture change and further supports health

care reform implementation. The Medical/Surgical Unit at Catskill Regional and the Orthopedic-Neurological Nursing Unit at Orange Regional, along with 23 other nursing care units in the country, have received the AONE CIT designation. The initiative is a grassroots approach to process improvement.

Joining Forces . . . is a national initiative designed to honor and support America's service members and their families. The Dorothea Hopfer School of Nursing, an affiliate of the **Sound Shore Health System**, offers a special curriculum component to ensure its graduates identify and meet the health care needs of veterans. In addition, the school provides special assistance to veterans interested in a career in nursing.

Committee/Meeting News . . .

The region's hospital quality directors involved in the Centers for Medicare and Medicaid (CMS) **NYS Partnership for Patients** program met on Monday, July 23, 2012 at the NorMet office to discuss the program's progress. The Healthcare Association of New York State (HANYS) and Greater New York Hospital Association (GNYHA) are the region's joint Health Engagement Contractor (HEC) for the Partnership for Patients program. The HEC works at the state level to design and provide improvement support to hospitals to improve outcomes in 10 areas that CMS has targeted (CLABSI, CAUTI, adverse drug events, falls and immobility, obstetrical harms, pressure ulcers, surgical site infections, VTE, VAP, and preventable readmissions). Representatives from HANYS and GNYHA joined NorMet members at the meeting, which provided an opportunity for a frank and open discussion. While acknowledging the merits of the initiative, members feel burdened by the additional reporting requirements inherent in the program. Although many of the target areas are already reported to various governmental mandatory reporting sites on a quarterly basis, the NYS Partnership for Patients program is collecting and reporting these outcomes on a monthly basis – in an effort to affect rapid cycle improvement. The goal of Partnership for Patients is to demonstrably reduce hospital acquired conditions by 40 percent and readmissions by 20 percent by 2013. HANYS and GNYHA suggested that members look internally at their current data collection processes and capitalize on those methods to capture required data on a monthly basis. Pharmacy departments, for example, are aware of adverse drug events. The Respiratory Therapy Department routinely assesses patients on VAP. Hospital members also asked for more targeted education that would address their medical boards and physicians and help them understand the link between data collection and performance improvement. The Partnership for Patients program is also focused on instilling a performance improvement culture among leadership and consequently system-wide. NYS Partnership leadership says the program is useful as a guide and precursor to the quality-driven health care system evolving under state and federal reforms. Improvements in quality and safety now will position hospitals for success in the future.

Patient Safety Institute Committee Meetings

Patient Falls Committee

Aug. 3 at 9 a.m.

Sept. 14 at 9 a.m.

Surgical Site Infection Committee

Aug. 21 at 9 a.m. (Conference Call)

Sept. 11 at 9 a.m.

Patient Safety Committee

Sept. 14 at 1 p.m.

**In order that your hospital may enjoy the confidential and privileged nature of these discussions, ONLY staff from the 23 hospitals that have fully executed their Confidentiality and Participation Agreements with the Institute will be permitted to participate in these meetings. Contact Angela Skretta for more information.*



400 Stony Brook Court
Newburgh, New York 12550
845-562-7520 • Fax: 845-562-0187
www.normet.org