

# NorMet News . . . October 2011

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 Planning Council Approves Memorial Sloan Application

Despite objections raised by the Northern Metropolitan Hospital Association (NorMet) and its member hospitals, the State Health and State Health Planning Council voted Thursday, October 6, 2011 in favor of Memorial Sloan Kettering Center's Certificate of Need application to establish a free-standing treatment center in Harrison, NY and has sent its recommendation to the State Department of Health, where a final decision will be made. Citing an ample supply of quality oncological services both at hospitals and private provider practices in Westchester and nearby counties, NorMet questioned the state's need-based evidence for another facility.

"Contrary to the Department of Health staff report, there is currently not only no shortage of capacity, there is in fact right now, excess capacity for linear accelerators in Westchester County," NorMet president/CEO Kevin Dahill told members of the Planning Council. The \$142 million, 100,000 square foot center calls for two linear accelerators. NorMet's analysis reveals there are currently 15 linear accelerators in the region; the state's own needs assessment notes 12 linear accelerators are sufficient to meet current demand.

NorMet also raised objections on the grounds that the Memorial Sloan facility will cause an economic hardship on Westchester's hospitals and physicians. These other facilities will be forced to care for an increased volume of Medicaid patients, as Memorial Sloan draws the private insurance paying patients toward them. That will also undermine the ability of those hospitals to offset the high expenses associated with running emergency rooms.

"This is a franchise strategy," said Dahill. "Memorial Sloan is taking its name and status and going out to an economically attractive suburb and setting up shop. This needs to be debated." - *Janine Logan, [Jlogan@normet.org](mailto:Jlogan@normet.org)*.

## Leading Authorities Discuss and Debate Health Care Reform

Consumer driven, collaborative care that is evidence-based is at the center of the Affordable Care Act and presenters at the Westchester County Association's (WCA) Health Care Symposium arrived at this same conclusion, although from different viewpoints. The symposium, held September 22, 2011 at the Westchester Marriott, was organized by the WCA's Blue Ribbon Task Force on Healthcare Reform.

Among the presenters were Dan Sisto, president of the Healthcare Association of New York State (HANYS) and Angela Skretta, Vice President of NorMet. Morning keynoter Herbert Pardes, MD, executive vice chairman of the board of trustees at New York-Presbyterian Hospital spoke about "Healthcare at the Crossroads." "Business and health care leaders have to get together to do what is best for health care in our nation," said Dr. Pardes.

NorMet hospitals are at the leading edge of best practices in medicine and Angela Skretta took the opportunity to remind attendees that hospitals in the NorMet region are improving patient care on a daily basis through their spirit of



**From left: Moderator Nancy Taylor, Esq., Co-chair, Health and FDA Business Practice, Greenberg Taurig LLP; Dan Sisto, President of HANYS; Angela Skretta, Vice President of NorMet; William Golden, CEO, United Healthcare of New York; Russ Rudish, Vice Chairman and U.S. Health Care Providers Sector Leader, Deloitte Consulting LLP; Joseph Tartaglia, MD, Past President, Westchester County Association.**

cooperation. “We are accelerating the adoption of evidence-based medicine for surgical site infection and falls through our federal designation as a Patient Safety Organization (PSO)” said Skretta. NorMet’s PSO – the Patient Safety Institute – is the only hospital-focused PSO in New York State and one of only fewer than 10 hospital-focused PSOs in the nation.  
– *Janine Logan, jlogan@normet.org.*

## *Around the State . . .*

**Health Insurance Exchange Legislation (HIE):** The legislation remains stalled in the legislature and there appears to be no urgency on the part of lawmakers to pass a bill, even though another federal funding deadline passed in September. New York has already secured \$39 million in federal funds, but it cannot apply for multi-year Level 2 grants without legislation that defines the framework of New York’s state insurance exchange. States have the option of establishing their own exchange or allowing the federal government to establish one for the state. State exchanges must be fully operational by January 1, 2014. Prior to the close of the 2011 legislative session in June, the Senate and Governor Cuomo had introduced versions of an exchange bill, but no final bill was agreed upon. Albany lawmakers say they want to study the issue further and examine rules coming out the Centers for Medicaid and Medicaid Services before committing to a bill. States can apply for Level 2 grants quarterly through June 2012.

**Medicaid Making Headlines:** The Medicaid Global Spending Report for August 2011 from the state shows that state Medicaid spending is now at \$172.9 million, which is **2.5 percent below the four percent yearly cap** imposed as part of the 2011-2012 state budget and Medicaid Redesign Team (MRT) recommendations. Yet, Medicaid enrollment continues to grow and recent news reports indicate that New York’s Medicaid program is on track to enroll its **five millionth beneficiary** soon. Meanwhile, a group of bi-partisan state legislators are co-sponsoring Senate legislation that would begin an eight-year phase-in of a **complete state takeover of local Medicaid costs**. In 2005 then Governor George Pataki imposed a three percent spending cap on the Medicaid portion counties are required to pay, shifting more of the cost burden to the state. Local counties are also facing the pressure of the two percent property tax cap the state imposed as part of the most recent state budget. New York City home care agencies recently received a Medicaid rate increase - **\$50 million to 1199 SEIU-affiliated personal care agencies and \$10 million to non-affiliated agencies** – as was legislated under the state budget. Specifically, the state is committed by law to expend \$340 million in Medicaid money for worker recruitment and retention for New York City personal care providers. These funds are used to cover health care costs of personal care workers. The \$60 million resulted when the state realized it would only expend \$280 million in this category. Since the funds were already included in the projected spending under the cap, the Global Cap is not affected. Health policy experts are concerned, however, about the non-transparent way in which this expenditure occurred.

**Medicaid Redesign Team (MRT) Phase 2:** Workgroup recommendations are scheduled to be voted upon at the November 1 MRT meeting in New York City and at the December 13 meeting in Albany. Those presenting November 1 are: program Streamlining and State/Local Responsibilities; Behavioral Health; Health Disparities; managed Long-Term Care Implementation and Waiver Redesign; Health Systems Redesign: Brooklyn. Those presenting December 13 are: Payment Reform/Quality Measurement; Affordable Housing; Basic Benefit Review; Workforce Flexibility/Change of Scope of Practice; Medical malpractice. Many Medicaid reform recommendations from Phase 1 – including the global Medicaid cap – were included in the 2011-2012 state budget. Workgroups are tasked with creating a final action plan, with specific recommendations to be presented to the full MRT and forwarded to the Governor for his consideration for the 2012 – 2013 state budget... - *Janine Logan, jlogan@nshc.org*

## *In the Nation’s Capitol . . .*

“Super Committee” members continue to meet; however, no details about their deliberations have been made public. It is expected that the members of the Joint Select Committee on Deficit Reduction will have a plan in place by the end of October so the document can be scored by the Congressional Budget Office (CBO). Once scored, the committee has until November 23 to deliver their package to the Congress. The Congress has until December 23 to vote on it. They have no authority to change anything in the package. If the full \$1.2 trillion in spending cuts is not found by the “super committee,” then automatic, across-the-board cuts (a process known as sequestration), including up to two percent to Medicare providers, will go into effect starting in the 2012 fiscal year. New York’s entire Congressional delegation recently sent a letter to the members of the “super committee” urging them not to impose any more cuts on New York’s hospitals. Check out HANYS website [www.hanys.org](http://www.hanys.org) under the Health Reform Navigator section for more information on the “Super Committee” and the Budget Control Act of 2011. Also visit <http://deficitreduction.senate.gov/public>.

**AHA Federal Advocacy Day is November 3 in Washington, DC.** Plan now to visit your elected representatives and tell them your facility cannot absorb any more funding cuts. Urge them to bring that message to the “Super Committee.”



## The Quality Corner

*First in a series of periodical updates on quality reporting/compliance measures*

Mary Jane Milano, Director of Quality and Education

**E-Prescribing Exemption Deadline . . .** is November 1, 2011. To avoid a one percent payment reduction to the 2012 Physician Fee Schedule amount for Medicare Part B professional services, eligible professionals (medical doctors, physician assistants, nurse practitioners who prescribe) must have met the Centers for Medicare and Medicaid Services (CMS) e-prescribing requirements for the January 1 – June 30, 2011 reporting period OR must apply for an exemption from the e-prescribing requirement by November 1, 2011. Eligible professionals are subject to the payment reduction at the unique TIN/NPI number. Even hospital employed physicians who report at the employer NPI are subject to the adjustment if they do not meet the requirements or receive an exemption. Submit an electronic request for an exemption through the Quality Reporting communication Support Page at [www.qualitynet.org](http://www.qualitynet.org) by November 1. Group Practice Reporting Organizations must submit their exemption request via letter to CMS postmarked no later than November 1.

**Electronic Health Records Attestation . . .** November 30, 2011 is the last day for eligible hospitals and Critical Access Hospitals to register and receive the Electronic Health Record financial incentives. Hospitals had to meet Meaningful use Stage 1 criteria – 14 mandatory core objectives plus five to 10 objectives from a menu

set, and 15 clinical quality measures. The clinical quality measures are also measures hospitals will be required to submit through the Hospital Inpatient Quality Reporting (IQR) program. For IQR, hospitals will be required to submit some of the Meaningful Use clinical quality measures starting on January 1, 2012 and some starting January 1, 2013.

**NYS Report on Hospital Acquired Infections . . .** On September 20, 2011 the New York State Department of Health released its 2010 report on Hospital Acquired Infections (HAI). Beginning January 1, 2012, hospital must start reporting on abdominal hysterectomy surgical site infections.

**Free Infection Control Webinars . . .** are being offered by the Joint Commission and the Association for Professionals in Infection Control and Epidemiology (APIC) to commemorate International Infection Prevention Week (October 16 – 22). Joint Commission accredited hospitals receive free access to the webinars – 20, 21 at 1 p.m. To register visit <http://webinars.apic.org> and use the following code: TJCIIPA11. Problems call 800-274-9390.

For more details on these and all quality issues contact Mary Jane Milano at (585) 698-0344 or [mmilano@seagatealliance.com](mailto:mmilano@seagatealliance.com).

## News Briefs . . .

**Law Provides Greater Access to Capital . . .** for community-based health care providers to access necessary capital to build, expand, and modernize their facilities. Recently signed into law by Governor Cuomo, Senator Kemp Hannon and Assemblywoman Vanessa Gibson sponsored the legislation. It will allow the Primary Care Development Corporation to apply for bonds through the Dormitory Authority of the State of New York (DASNY) to finance expansion of primary care facilities, and access DASNY's Tax exempt Leasing Program. **Second NorMet Quality and Patient Safety Awards Competition . . .** submission and review process is underway. NorMet hospitals that entered the HANYS Pinnacle Award competition held earlier this year are automatically placed in the pool of candidates for NorMet's 2011 quality and patient safety award. The judging process for both awards will remain aligned, but NorMet regional awards will continue to be reviewed by a regional panel of hospital peers later this year. For additional information about the competition and/or to submit an application if you did not previously submit one to the HANYS Pinnacle Award competition or to advise us that you do not want your HANYS Pinnacle Award submission considered in the NorMet 2011 quality and patient safety competition, please contact [qualityawards@normet.org](mailto:qualityawards@normet.org) by **November 4, 2011**. Winners will be publicly recognized on **Monday, December 5, 2011 at the Suburban Hospital Alliance of New York State (joint organization of NorMet and NSHC) Trustee briefing to be held at the LaGuardia Marriott Hotel from 4 – 7 p.m.** This year's featured speaker is John Combes, president of the Center for Healthcare Governance. A discussion of the political and legislative landscape will also be presented by HANYS President Dan Sisto.



### Mark Your Calendar for NorMet Events in November/December

- Nov. 16 NorMet Board of Directors Retreat  
8 a.m. to 1 p.m.  
Doubletree Hotel,  
Tarrytown
- Dec. 5 The Suburban Hospital Alliance of New York State (NorMet/NSHC) Joint Trustee Event and Presentation, Regional Quality Awards  
LaGuardia Marriott

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

**Joint Commission Changes . . .** several key changes to the accreditation process are on tap for 2012. Notably, the Joint Commission will change how it uses ORYX-reported process of care data. Accredited hospitals that fail to achieve a composite score of 85 percent or better will need to implement a plan of correction.

New Health Research Initiative . . . known as the Health Care Cost Institute will allow researchers and policymakers access to a comprehensive collection of health plan and government payer data that will offer new insights into health care costs, utilization, and intensity. Beginning in 2012, the Cost Institute plans to publish its own scorecards and supporting analysis on aggregate trends of health care cost and utilization. Go to [www.healthcostinstitute.org](http://www.healthcostinstitute.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
  - Sound Shore Medical Center of Westchester
  - Vassar Brothers Medical Center
  - VA Hudson Valley Health Care System
  - Westchester Medical Center
  - White Plains Hospital Center

## BOARD RETREAT SET FOR NOV. 16

**The Doubletree Hotel, Tarrytown 8 a.m. to 1 p.m.**

**Mark your calendar now . . .**

NorMet board members and other members of the each hospital's leadership team – chief financial officers, chief medical directors, vice presidents of quality and planning – would benefit from the information and education to be presented at this retreat. Distinguished speakers are:

**Mike Irwin**, Managing Director  
Citigroup

**John Kastanis**, Consultant and most recently CEO  
Quincy Medical Center in Massachusetts

**Dan Kane**, CEO  
Bayonne Medical Center in New Jersey

Discussion will focus on clinical integration and activity, both nationally and regionally, regarding the transition of hospitals from not-for-profit to for-profit entities. **To register and info call: 845-562-7520.**

## Upcoming Patient Safety Institute Meetings

### Patient Falls Committee

November 4 9:00 – 11:00 a.m.

### Patient Safety Committee

November 4 1:00 – 3:00 p.m.

**\*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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