



# STAT News

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## STATE UPDATE: Governor Considers Health Care Bills

Now that the New York State 2014 legislative session has ended, bills passed by both the Senate and Assembly are on their way to the governor's office. The governor must consider about 470 bills by the end of the calendar year. Last week, a package of 100 bills arrived on the governor's desk. Several healthcare-related bills were included in that package. These must be approved or vetoed by the governor by July 23, 2014.

The Suburban Hospital Alliance of New York State, LLC, worked diligently throughout the legislative session to assure passage of favorable legislation, as well as stoppage of harmful legislation. The Alliance counts the avoidance of any type of nurse staffing ratio legislation as one of its major advocacy successes and is already gearing up to halt any such legislation that may be re-introduced next year. Hospitals maintain that individual institutions know best how to address staffing issues related to patient acuity, seasonal peaks and dips in volume, and other factors that ensure nursing and other disciplines are adequately staffed throughout a hospital's various units. The group was also successful in averting advancement of several medical malpractice bills. These bills mostly favored the interests of trial attorneys and did not fundamentally reform the medical malpractice system nor curtail exorbitant insurance premiums. The soaring costs of malpractice related to insurance and litigation have long plagued New York's health care system and the hospital industry is committed to working with the legislature and the trial attorney community to rationally reform the system. The hospital industry supports reforms such as malpractice courts, wherein cases are tried by judges and juries with health knowledge, and limits on non-economic damages.

## FEDERAL UPDATE: Revisiting Readmissions Policy

The Hospital Readmissions Program Accuracy and Accountability Act of 2014 (S.2501), recently introduced in the Senate, asks the Centers for Medicare and Medicaid Services (CMS) to make changes to the current Hospital Readmissions Reduction Program, authorized by the Affordable Care Act. Specifically, the proposed legislation seeks to ensure that those hospitals caring for a large number of poor and uninsured are not unfairly penalized for preventable readmissions that occur outside of their clinical control. A growing body of evidence supports the theory that socioeconomic factors play a huge role in readmissions. Income and education levels, access to healthy and affordable foods, and reliable transportation are just some of the determinants affecting patients' recovery and/or potential return to the hospital. The bill would require CMS to adjust hospital performance by using census tract data to account for these factors.

The Establishing Beneficiary Equity in the Hospital Readmission Program Act (H.R. 4188) is similarly concerned with ensuring that hospitals are not unfairly penalized. It seeks to exclude from the readmissions program admissions related to transplants, end-stage renal disease, burns, trauma, psychosis, or substance abuse. It also calls for a risk adjustment that will take into account a hospital's proportion of inpatients who are full-benefit dual eligible (Medicare and Medicaid) individuals.

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