



APRIL 7, 2003

Skyline news

REPORTING ON NEW YORK'S HEALTH CARE NEWS

Nearly 40,000 Protest Health Care Cuts; Healthcare Education Project Rally Largest Ever Seen in Albany



On April 1, 2003, nearly 40,000 health care workers and executives from every corner of New York State participated in a massive rally in Albany to protest the devastating health care cuts proposed in the State Budget. The rally, which the Albany Mayor's Office said was the largest in the city's history, was organized by the GNYHA/1199 SEIU Healthcare Education Project as part of its statewide advertising and grassroots advocacy campaign to fight the nearly \$2 billion in health care cuts proposed in the budget.

The day began with a morning rally at the Pepsi Arena that was attended by both NYS Senate Majority Leader Joseph Bruno and NYS Assembly Speaker Sheldon Silver.

Nearly 40,000 health care workers protest the proposed cuts in the State Budget outside the Capitol building in Albany.

The crowd of health care workers, doctors, nurses, and administrators then marched to the State Capitol and joined thousands of

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GNYHA Submits Comments to CMS on Outlier Rule

On April 3, 2003, GNYHA submitted comments to the Centers for Medicare & Medicaid Services

HHS Secretary Tommy Thompson to Speak at GNYHA 2003 Annual Meeting on April 10

Secretary of Health and Human Services Tommy Thompson is scheduled to deliver a special keynote address at GNYHA's Annual Meeting on April 10, 2003.

The Annual Meeting will be held at the Sheraton New York Hotel, which is located on Seventh Avenue between 52nd and 53rd Streets. Since Secretary Thompson is scheduled to speak at 10:00 a.m., the timeframe for the morning's events is slightly different from the schedule listed in the previous issue of *Skyline News* (March 24, 2003).

The Annual Meeting will also feature presentations by Thomas R. Frieden, M.D., M.P.H., Commissioner, NYC Department of Health and Mental Hygiene, and Kenneth Watman, Ph.D., Director, War Gaming Department, U.S. Naval War College. The Annual Meeting will conclude with a special

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(CMS) on its proposed rule for changing the methodology for determining outlier payments under the inpatient prospective payment system (PPS). CMS had proposed extensive changes to the methodology that would take effect immediately upon publication of the final rule in response to reports

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other protestors for an afternoon rally at the Empire State Plaza. The day's other speakers included GNYHA President Kenneth E. Raske, 1199 SEIU President Dennis Rivera, and a variety of hospital and nursing home CEOs and union leaders.

The Healthcare Education Project is continuing its advocacy campaign to fight the cuts, which includes ads, a direct mail initiative, a statewide telephone-calling initiative, community forums, and other grassroots initiatives throughout the State. ■



a: Thousands of health care workers and executives rally for health care in Pepsi Arena.

b: Kaleida Health President and CEO William McGuire at the Pepsi Arena.

c: Scott Amrhein, Executive Director, Continuing Care Leadership Coalition, GNYHA.

d: MediSys Health Network President and CEO David Rosen (l.) and GNYHA President Kenneth E. Raske at the Pepsi Arena.

e: Westchester Medical Center President and CEO and GNYHA Chairman Edward Stolzenberg (l.) and GNYHA President Kenneth E. Raske at the Capitol Building.



f: Bruce McIver, President of the League of Voluntary Hospitals and Homes of New York.

g: Saint Vincent Catholic Medical Centers President and CEO David Campbell.

h: 1199 SEIU President Dennis Rivera (l.) and GNYHA President Kenneth E. Raske.



i: NYS Senate Majority Leader Joseph Bruno speaks with health care workers.

j: Maimonides Medical Center President and CEO Stanley Brezenoff.

k: Foreground: NewYork-Presbyterian Hospital President and CEO Herbert Pardes, M.D. (l.) and NYS Assembly Speaker Sheldon Silver.

l: Village Care of New York President and CEO Arthur Webb at the Pepsi Arena.

m: GNYHA President Kenneth E. Raske addresses the crowd; looking on are (l. to r.) MediSys Health Network President and CEO David Rosen, Continuum Health Partners Interim President and CEO Gail Donovan, and Montefiore Medical Center President Spencer Foreman, M.D.



GNYHA Emergency Preparedness Coordinating Council Develops Threat Alert Guidelines for Providers

GNYHA, in coordination with its Emergency Preparedness Coordinating Council, has prepared a working draft of guidelines to assist providers with the measures they should consider taking as threat alert levels change under the Homeland Security Advisory System. The draft guidelines are the result of a collaboration among the Council, the NYS Department of Health, the NYS Office of Public Security, and the NYC Department of Health and Mental Hygiene, and have been sent by the NYS Department of Health in draft form to hospitals across the State. The guidelines were developed in response to questions as to what steps providers should take as threat alert levels change or as concerns about terrorist attacks increase. Providers in NYC, where the threat alert level has been orange (high) since the inception of the five-tiered color-coded

system, have been concerned about measures to consider within the level orange, and as circumstances have caused an increase to what has been informally called “high” or “bright” orange. Providers outside NYC have been concerned about what measures to consider as the national and state levels increase from yellow (elevated) to orange.

Overview: The draft guidelines work within the five-tiered system, but they collapse the first two threat alert levels (green and blue) and treat them as basic planning levels during which providers would develop their emergency management plan, design their incident command system, and develop other protocols for responding to an emergency. The next two levels (yellow and orange) are treated as different levels of standing ready for an emergency, and the highest level (red) is treated as responding to an event (or stand-

ing ready for an imminent attack). Each level divides the steps into seven functional categories: basic emergency management program functions; communications with staff; monitoring and evaluating information sources; addressing staff availability and needs; communication systems; equipment, supplies, and services; and security. The guidelines are intended to be suggestions only, and providers should view them as a checklist for reviewing their own preparations. In addition, the guidelines indicate that the decision to take some of the measures will depend on whether a change in threat alert level affects a geographic area and on the directions that appropriate authorities might give. ■

GNYHA Members Brief Westchester Officials on Impact of Proposed State Budget

On April 3, 2003, GNYHA and several Westchester hospital officials briefed members of Westchester County's NYS Senate and Assembly delegations about the damaging effects of the health care provisions in the proposed NYS Executive Budget. The briefing, which took place at the Westchester Institute for Human Development on the Westchester Medical Center Campus, was co-hosted by NYS Senator Nicholas Spano, head of Westchester County's Albany delegation; Edward Stolzenberg, President and CEO of Westchester Medical Center and GNYHA Chair; and GNYHA President Kenneth E. Raske. Dennis Rivera, president of 1199 SEIU, also participated in the briefing. The meeting began with a GNYHA staff analysis on the impact of the Executive Budget on hospitals in the region. Following the presentation, GNYHA members had the opportunity to engage in a discussion with the elected officials in order to illustrate the damaging effects of the proposed budget on hospitals in Westchester County. GNYHA will continue to assist members with the important work of educating elected officials about the damaging effect of the proposed cuts. ■

GNYHA Focuses on Public Report Card Pilot and DOH Report Card Mandate

On March 25, the GNYHA Quality and Patient Safety Steering Committee met with Barbara Paul, M.D., Director, Quality Measurement and Health Assessment Group, Centers for Medicare & Medicaid Services (CMS) Hospital Quality Initiatives, as well as representatives from the NYS Department of Health (DOH) and from the quality improvement organizations for NYS (IPRO), NJ (Pro NJ), and Conn. (Qualidigm) to discuss public reporting initiatives. New York is one of three pilot states selected by CMS; New York hospitals have been requested to work with IPRO to voluntarily report performance on 10 clinical process measures and to participate in a patient-experience-of-care survey. The deadline for participation in the project was March 28, 2003; as of that date over 70 hospitals in New York had agreed to participate. Participation will provide hospitals with the opportunity to work with CMS staff on refining and designing the methodology for future public reporting initiatives.

At the March 25 meeting, Dr. Paul focused on the value of collaborating with hospitals

and GNYHA to ensure that the final product of the public report card pilot will be well accepted by hospitals nationwide. GNYHA members emphasized their concern to Dr. Paul that participation in the pilot may further drain resources, and although hospitals are committed to public reporting of quality, performance agencies should be sensitive to the current financial stresses facing hospitals. In addition to the CMS pilot project, DOH staff discussed their mandate to develop a NYS report card that will use claims-based data to track clinical hospital performance. GNYHA will work closely with the State to ensure that its report card will be a valuable tool for the hospital as well as for consumers. GNYHA will continue to work with members on providing best practices to achieve optimal performance on the public report card pilot project, track expenses related to public report card initiatives, and provide ongoing input on current and future quality and patient safety reporting systems. For information about the public reporting initiatives, contact Terri Straub at GNYHA. ■

GNYHA Submits Comments

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last year that some hospitals may have received excessive outlier payments—stop-loss payments for individual cases that are extremely expensive—by exploiting certain provisions in the current methodology. CMS estimates the cost of each case by multiplying the charges that are billed by a ratio of cost to charges (RCC) that is calculated from each hospital's cost report. Currently, CMS uses the RCC from each hospital's latest final settled cost report, which reflects costs from several years prior to the case on whose behalf outlier payments are made. In addition, CMS substitutes a statewide average RCC for hospitals whose RCCs are extremely low. The key provisions in the proposed rule are to update the RCCs to the year matching each patient's discharge, and to eliminate the substitution of the statewide average RCC. In response, GNYHA conducted an extensive fiscal impact analysis of the proposed rule, which found that CMS's proposal would cause serious underpayments of outliers, about \$2 billion annualized, or 45% of total outlier payments, and that even if

the underpayment problem were solved, the proposal would redistribute about \$1 billion annually. Therefore, GNYHA recommended the following: 1) do not update the RCCs before the start of the new fiscal year on October 1, 2003; lower the "threshold"—the deductible that ensures the appropriate aggregate amount of outlier payments—concurrent with updating the RCCs; 2) do not update the RCCs to the "matching" year's RCC, but rather to the most recent year's RCC available at the time of payment (otherwise, payments would be retroactive, a violation of the "prospective" payment system); 3) provide a three-year transition for most hospitals (hospitals found to have engaged in abuse of the outlier system should not automatically be eligible); 4) implement refined diagnosis-related groups, which would reduce the need for outlier payments; and 5) exclude disproportionate share hospital payments when computing the loss per case for determining outlier eligibility in order to preserve those payments for their intended purpose of paying for hospital-based uncompensated care.

CMS is expected to review comments over the next 30 to 60 days. ■

IN MEMORIAM

DANIEL PATRICK MOYNIHAN, 1927–2003

It is with great sadness that GNYHA mourns the passing of Senator Daniel Patrick Moynihan, one of our country's leading advocates for health care providers and the people they serve. An Honorary Member of the GNYHA Board of Governors, Senator Moynihan's staunch support of health care in general and teaching hospitals in particular has been evident throughout his distinguished career. Most recently, he worked vigorously to secure relief for hospitals from the damaging effects of the Balanced Budget Act of 1997 and fought to save teaching hospitals from the negative impact of managed care.

Born on March 16, 1927, Daniel Patrick Moynihan grew up in New York City. During his long career in government, he served under four U.S. presidents: John F. Kennedy, Lyndon B. Johnson, Richard M. Nixon, and Gerald R. Ford. He was also the U.S. Ambassador to India from 1973 to 1975, and in 1976 he represented the United States as the President of the United Nations Security Council. In 1976, he was elected to the United States Senate, and was re-elected for three more consecutive terms before retiring from public office in 2001.

With Senator Moynihan's passing, New York's health care community has lost one of its most ardent and important supporters—but the foundation he laid will continue to benefit health care providers and patients for many years to come. He was a true visionary, and he will be deeply missed. ■

Upcoming GNYHA Briefings

Automated CME Administration from CNAPSIS

NEW JERSEY

Date: Thursday, April 24, 2003

Time: 9:30 a.m.–11:30 a.m.

Location: New Jersey Council of Teaching Hospitals, Conference Room, 154 West State Street, Trenton

MANHATTAN

Date: Friday, April 25, 2003

Time: 9:30 a.m.–11:30 a.m.

Location: GNYHA Conference Center, 555 West 57th Street, 15th Floor

GNYHA Ventures, Inc., and CNAPSIS, LLC—which offers a valuable product designed to automate the entire Continuing Medical Education (CME) administration process for hospitals—recently announced a strategic alliance. CNAPSIS's Web-based tool, *CMEOffice*, offers a cost-effective solution to help hospitals reduce paper-

work, enhance data reporting, and satisfy CME regulatory and compliance requirements. Some of its unique features include online registration and payment processing of CME programs for physicians and participants, customized registration forms, and remote registration and attendance functions. The system also enables hospitals to coordinate registration, reporting, and data collection activities across different departments and organizations; streamline reporting of Grand Rounds attendance; and reduce the possibility of generating inaccurate data. GNYHA Ventures will hold two briefings for GNYHA members, in NYC and in New Jersey, to demonstrate *CMEOffice*. For more information or to register, please contact Sahar Zodeh at GNYHA.

GNYHA HIPAA Transaction Set Clearinghouse

Date: Wednesday, April 30, 2003

Time: 9:30 a.m.–12:30 p.m.

Location: GNYHA Conference Center, 555 West 57th Street, 15th Floor

At this briefing, WebMD Transaction Services (NEIC), NDC Health, and the SSI Group will discuss their HIPAA transaction set implementation plans, including changes in clearinghouse software, expected HIPAA transaction support and business requirements, clearinghouse testing and implementation timelines, and transaction monitoring and reporting. *This briefing was originally scheduled for April 16; please note the new date above.* For more information contact Ellen Lukens, and to register contact Theresa Simon, at GNYHA. ■

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continuing care panel featuring Rose Marie Fagan, Executive Director, Pioneer Network; Barry Barkan, Director, Live Oak Institute and Co-CEO, Live Oak Living Center; Arthur Webb, President and CEO, Village Care of New York; and moderator Audrey Weiner, D.S.W., President and CEO, The Jewish Home & Hospital Lifecare System.

The Annual Meeting is free of charge for all GNYHA members and \$175 per person for non-members. If you have not yet registered for the meeting but would still like to attend, please contact Barbara Marino at GNYHA by the end of the day on Monday, April 7. ■