



AUGUST 25, 2003

# Skyline news

REPORTING ON NEW YORK'S HEALTH CARE NEWS

## GNYHA Provides Round-the-Clock Assistance During Power Outage

**G**NYHA member hospitals and continuing care facilities demonstrated outstanding efforts during the power outage that began on August 14, 2003. While many hospitals and continuing care facilities faced significant challenges, they were able to continue to function throughout the power outage under extremely difficult circumstances. GNYHA believes that member capabilities and understanding of agencies' roles were significantly enhanced by members' recent efforts in the area of emergency preparedness, including participation in GNYHA's Emergency Preparedness Coordinating Council meetings, briefing sessions, and drills. In addition, GNYHA has received feedback that relationships fostered through GNYHA's meetings enabled members to call on one another for assistance. However, GNYHA believes that additional funding is necessary to assist members in enhancing their infrastructure and their role as first

responders in the health care system.

**GNYHA's Response:** As is the case with all emergencies, GNYHA representatives staffed the NYC Office of Emergency Management's (OEM's) Emergency Operations Center (EOC) on a 24-hour basis through Sunday afternoon in order to assist members with issues they encountered during the power outage. Representatives of NYC, NYS, and Federal agencies and other organizations (including Con Edison) were present at OEM's EOC, enabling GNYHA staff to provide hospitals and continuing care facilities with the most up-to-date information regarding restoration of services. In order to ensure that members could continue to operate during the power outage, GNYHA also staffed its offices on a 24-hour basis. GNYHA staff handled inquiries from members located throughout the metropolitan area and interfaced with NYS's and several counties' EOCs. GNYHA's assistance included:

- securing additional back-up generators from NYC for facilities in danger of losing all generator power;
- identifying fuel suppliers for fuel that was needed for back-up generators;
- helping members obtain needed supplies;

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## Congress Keeps Child Health Insurance Funds Flowing

**P**rior to adjourning for the August Congressional recess, both Houses of Congress approved legislation to ensure that states would not lose billions of dollars in funding for their child health insurance programs. President Bush is expected to sign the legislation. The need for the legislation arose because under the prior

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## Medicaid Task Force Holds Second Meeting

**O**n August 12, 2003, the New York State Senate Medicaid Reform Task Force held its second roundtable meeting in Albany, New York. The five-hour meeting was attended by five senators, including Ray Meier (R-Western), the

co-chair of the Task Force and the Chairman of the Senate Committee on Social Services, as well as a number of members of the Task Force's Advisory Panel, including GNYHA President Kenneth E. Raske and GNYHA member representative

Michael Dowling, President and CEO, North Shore-Long Island Jewish Health System. At this meeting, the Task Force heard from several national Medicaid experts, including Joy Wilson, a Medicaid

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# GNYHA Seeks to Mitigate Financial Impact of Power Outage

**G**NYHA has taken several steps to mitigate the financial impact of the August 14 power outage on member institutions. It has asked the New York State Superintendent of Insurance and Commissioner of Health to communicate with private payers and Medicare and Medicaid health plans to ensure that payment denials are not issued to hospitals and other providers as a result of providers' inability to comply with certain payer requirements during the power outage and its aftermath. These requirements include requesting permission to continue treatment of a patient, telephoning payers soon after a patient comes to the emergency room, discharging patients as soon as possible to their families or appropriate post-acute care, and the like. Normally, if a hospital or other provider fails to fulfill these requirements, many payers will deny payment for services that have been rendered. GNYHA recognizes that payer operations were themselves disrupted, but is seeking to ensure that hospitals and other providers will not be penalized by the power outage and the ensuing disruption to provider operations that lasted through the weekend and in some instances beyond. GNYHA has also distributed a cost and expense survey to affected members with a request to return estimates of the incremental costs of the emergency—for example, for equipment and supplies related to emergency power, staff overtime, canceled elective services, and so forth. In response to particular concerns that commercial insurance may not cover losses related to the power outage, GNYHA will analyze the information and seek mitigation from appropriate sources. Finally, GNYHA has offered to assist member institutions that experience payment problems from fee-for-service or managed care payers on a case-by-case basis. ■

# Senate Panel Approves Patient Safety Bill

**B**efore adjourning for the August Congressional recess, the U.S. Senate Committee on Health, Education, Labor and Pensions (HELP) unanimously approved the Patient Safety and Quality Improvement Act of 2003 (S.720). The bill, sponsored by Senator Jim Jeffords (I-VT), is designed to encourage a culture of safety and quality by providing for legal protection of information reported voluntarily to patient safety organizations (PSOs).

Under the bill, PSOs are defined as private or public organizations (or components thereof) whose primary activities are to improve patient safety and

quality, collect and analyze patient safety data submitted by providers, develop and disseminate information to providers (including patient safety recommendations, protocols, and best practices), and to work directly with providers to effectively minimize patient risk. The bill also authorizes the Secretary of the U.S. Department of Health and Human Services to create a national database to receive relevant non-identifiable patient safety data that have been submitted to patient safety organizations. The bill is similar to legislation in the House sponsored by Congresswoman Nancy Johnson (R-CT). ■

## Upcoming GNYHA Briefings

### Operating Room Safety

LONG ISLAND

**Date:** Monday, September 8, 2003

**Time:** 10:00 a.m.—4:00 p.m.

**Location:** The DeMatteis Center,  
Northern Boulevard, Old Brookville, NY

NEW JERSEY

**Date:** Tuesday, September 9, 2003

**Time:** 10:00 a.m.—4:00 p.m.

**Location:** Trinitas Hospital,  
925 East Jersey Street, Elizabeth, NJ

MANHATTAN

**Date:** Wednesday, September 10, 2003

**Time:** 10:00 a.m.—4:00 p.m.

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

GNYHA and GNYHA Services Group Purchasing Program are sponsoring this special one-day program on Operating Room Safety for Patients and Staff. The program will cover the Centers for Medicare & Medicaid Services Surgical Infection Project, patient and staff protection against microbial transmission, reactions in the operating room, protective apparel selection and cost-in-use considerations, fire and safety in the operating room, prevention of wrong-site surgery, and the anatomy of prevention of errors in health care. In order to accommodate members, three identical programs are scheduled—one on Long Island, one in New Jersey, and one in Manhattan. The program, which is being co-sponsored by Kimberly-Clark Healthcare, is provided at no charge to GNYHA Services Group Purchasing Program participants, and at a nominal charge to facilities not

participating in the group purchasing program. GNYHA encourages members to send surgical staff including surgeons, anesthesiologists, and nursing personnel to the program, in addition to infection control, quality and patient safety staff, and supply chain services and central sterile staff. Six Continuing Education Units and Continuing Medical Education Credits have been requested for this program. For more information contact Terri Straub or Tim Glennon, and to register contact Rosanne Denaro, at GNYHA.

### Medical Management of Chemical Casualties Course

**Date:** Tuesday, September 30, 2003

**Time:** 9:00 a.m.—5:00 p.m.

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

GNYHA, together with the New York City Department of Health and Mental Hygiene, will host the faculty from the United States Army Medical Research Institute of Chemical Defense (USAMRICD), which will be presenting this one-day course. USAMRICD is a division of the United States Army that trains medical personnel and conducts research in the medical management of chemical casualties. This course is geared toward clinical personnel and will describe treatments, triage, and decontamination for certain chemical agents. This course has been approved for 5.5 Continuing Medical Education credits. For more information contact Doris R. Varlese, and to register contact Meg Figley, at GNYHA. ■

# More Americans Uninsured for Longer Periods of Time

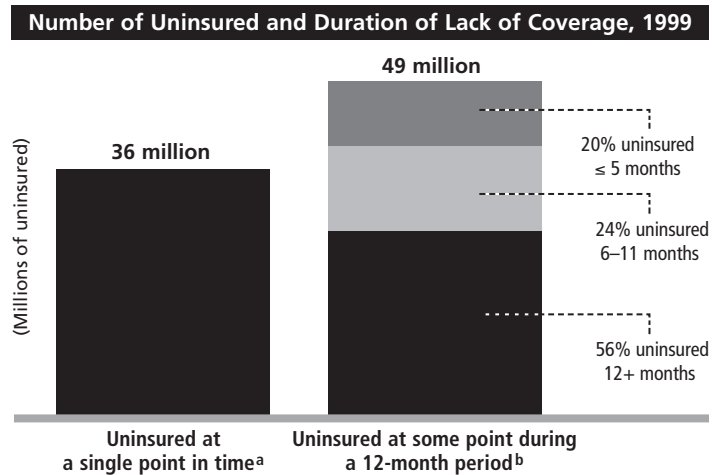
The Kaiser Family Foundation (KFF) reported recently that although 36 million Americans were uninsured at the time of a 1999 survey, 49 million “were uninsured either at the time of the survey or at some other period in the year prior” (see chart). Furthermore, the majority of the uninsured—27 million—lacked coverage for more than 12 consecutive months. Another 22 million experienced short-term uninsured spells (that is, they were uninsured for less than a full year).

KFF uses the 1999 National Survey of America’s Families (NSAF), a survey of nonelderly individuals in over 42,000 households, to resolve current disagreements over whether the nation’s uninsured problem is generally of brief duration or persists over longer periods of time. The report concludes that a large share of the uninsured are experiencing long spells without coverage. KFF also observes that age, ethnicity, income level, and health status are important factors affecting the duration of an individual’s time without coverage. Young adults (19–34 years old), Hispanics, those with low incomes, and those in poor or fair health are significantly more likely to be uninsured for long periods of time. Unfortunately, although such individuals—especially the low-income, chronically ill—generally require considerable medical attention, they are less able to access and utilize care than those who are uninsured for shorter periods of time.

As a result, KFF suggests that policymakers merge incremental changes that primarily benefit the short-term uninsured with more

fundamental reforms, including increased public subsidies and extensive improvements of the private marketplace, to benefit sufferers of chronic medical conditions, and others who face the greatest barriers to securing affordable coverage.

Visit [www.kff.org/content/2003/4122/4122.pdf](http://www.kff.org/content/2003/4122/4122.pdf) for a free copy of KFF’s full report, or contact Rima Cohen at GNYHA. ■



<sup>a</sup> Single point in time is at the time the 1999 NSAF was administered.

<sup>b</sup> The 12-month period is at the time of the survey or in the 12 months prior to the survey.

Source: 1999 National Survey of America’s Families (nonelderly population), Kaiser Commission on Key Facts, *Medicaid and the Uninsured* (June 2003).

## GNYHA Provides Round-the-Clock Assistance During Power Outage *continued from page 1*

- responding to issues regarding transportation of patients; and
- identifying sites to receive transferred patients.

Even after electricity was restored to the area, GNYHA continued to staff OEM’s EOC in order to assist members with issues related to steam supplies, including arranging for hospitals to sterilize equipment for one another and providing information regarding the return of steam power.

**Communications:** GNYHA’s emergency contact directory enabled its staff to reach almost every GNYHA member, using OEM’s 800 MHz system, using (initially) GNYHA’s Nextel emergency response network, or using telephone and pager numbers provided to GNYHA for the emergency contact directory. GNYHA had worked closely with OEM to implement a special health care talk group on its 800 MHz radio system that was utilized during the power outage. OEM conducted roll calls

on the 800 MHz system to determine whether GNYHA members had pressing issues requiring action.

**Incident Command System and EOCs:** GNYHA has held several member briefings on the use of an incident command system (ICS), which is a framework utilized in responding to disasters. Many GNYHA members used an ICS during the power outage. GNYHA and many of its members established emergency operations centers, which assisted in coordinating responses to the power outage.

**Financial Impact Activities:** GNYHA is conducting a survey to quantify the power outage’s financial impact on hospitals and continuing care facilities, and has contacted the NYS Department of Health and the NYS Insurance Department requesting their assistance with payment denials related to providers’ inability to comply with various requirements as a result of the power outage. (See full story on page 2.)

**Other Activities:** GNYHA staff is drafting guidelines for member consideration for enhancing emergency preparedness in the areas of power systems, communications systems, and monitoring external sources of information—for example, NYS’s Hospital Emergency Response Data System (HERDS), the NYC Health Alert Network, and OEM’s 800 MHz radio system. The considerations will be based on experiences during the power outage and will be distributed to GNYHA members for their review and to solicit additional considerations. GNYHA has been working with local, State, and Federal agencies to discuss member experiences and the drafting of the documents. GNYHA has also scheduled an upcoming meeting with members to discuss experiences during the power outage and the draft documents. In addition, GNYHA Ventures, Inc., will be discussing with vendors arrangements for back-up supplies and systems for GNYHA members. ■

# GAO Urges CMS to Examine Adequacy of Home Health PPS

In a report issued on August 15, 2003, the United States General Accounting Office (GAO) called upon the Centers for Medicare & Medicaid Services (CMS) to determine whether payments under the home health prospective payment system (PPS) are sufficient to cover the costs of certain non-routine medical supplies (such as wound care dressings). GAO made this recommendation after concluding that the design of the current home care PPS may not account fully for the variation in the

costs of certain medical supplies for different types of patients. GAO noted that this apparent shortcoming could financially disadvantage providers who serve higher-cost patients and could potentially disrupt continuity of care for home care patients who require certain high-cost supplies as part of their treatment plan. In making its recommendations to CMS, GAO stressed that if it is determined that home health payments are inadequate, then CMS should modify the PPS appropriately and, if nec-

essary, seek statutory authority to exclude certain non-routine medical supplies from the PPS. In a letter to GAO, CMS Administrator Thomas Scully agreed that an evaluation is warranted of the appropriateness of payments for providing non-routine medical supplies to home health patients, and indicated that CMS is in the process of collecting the necessary data to perform such an evaluation. A full copy of the GAO report can be found on the GAO Web site at [www.gao.gov/](http://www.gao.gov/). ■

## Medicaid Task Force Holds Second Meeting *continued from page 1*

specialist at the National Conference of State Legislatures; Lew Rossiter of the Fellowship Program for State Budget Officers, College of William and Mary; Jack Knowlton, a health care consultant, who had been a long-time staff member of the Senate Finance Committee and aide to former Senator Tarky Lombardi; and Peter Levin, Sc.D., M.P.H., Dean of the School of Public Health, SUNY-Albany. As will be the case at the other scheduled roundtables, a number of members of the local health care community also participated, including Capitol-area county executives and CEOs of hospitals, health plans, community health centers, and home health agencies. The discussion focused on a number of issues, including the extent to which disease management programs could help reduce the growth in Medicaid expenditures, how eli-

gibility for long-term care services could be tightened, the extent to which Family Health Plus (FHP) is growing and adding to county budget expenditures, the interaction between the availability of FHP and the trend toward private employers discontinuing employee health insurance coverage, and a number of other issues. With regard to hospital reimbursement rates, Mr. Raske made the point that it is very important for the Task Force to examine the interaction between Medicaid rates and the rates charged to private insurers and to understand that inadequate Medicaid reimbursement rates lead to major cost shifting to the private sector. The next roundtable will be held in Binghamton on August 27, 2003. The goal of the Task Force is to have legislation drafted by the beginning of the next legislative session in January 2004. ■

## Congress Keeps Child Health Insurance Funds Flowing

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law, \$1.2 billion of previously allocated but unused funds for the State Children's Health Insurance Program (SCHIP) was returned to the U.S. treasury at the end of the last Federal fiscal year because states did not meet the deadline for spending the money that was imposed by the Balanced Budget Act of 1997. Another \$1.5 billion was scheduled to be returned as of September 30, 2003. The bill that passed, H.R. 2854, extends the deadlines for spending the \$2.7 billion in unspent SCHIP funds and allows states like New York,

that have spent all their funding for particular years, to continue to receive funds that are redistributed from states that have not entirely spent their allotments. According to Senator Hillary Rodham Clinton (D-NY), one of the primary sponsors of the legislation, H.R. 2854 will allow New York to receive nearly \$1 billion for its Child Health Plus program that would otherwise have been returned to the Federal treasury. For this reason, the bill was strongly supported by New York Governor George E. Pataki. ■

## Medicare Issues Regulation Requiring Electronic Submission of Claims

On August 15, 2003, the U.S. Department of Health and Human Services (HHS) issued a regulation requiring that Medicare claims be submitted electronically as of October 16, 2003. This regulation implements the statutory requirement included in the Administrative Simplification Compliance Act, enacted by Congress in December 2001. Although a substantial percentage of Medicare claims are submitted electronically today (an estimated 86%), this regulation is intended to increase the efficiency of the Medicare program by automating most of the estimated 139 million paper claims.

The regulation includes some exceptions to the mandatory electronic billing requirement including the following: small providers—defined as providers (for example, hospitals, nursing homes) with fewer than 25 full-time equivalent employees (FTEs), and physicians, practitioners, and suppliers with fewer than 10 FTEs; dental claims; roster billing of vaccinations; claims where there is more than one primary payer to Medicare; and claims for Medicare demonstration projects.

Comments will be considered by HHS and are due no later than October 14, 2003. ■