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Skyline news

REPORTING ON NEW YORK'S HEALTH CARE NEWS

President Bush Outlines Health Agenda

On February 4, 2002, President Bush released his 2003 budget proposal, and on February 11, in a speech at the Medical College of Wisconsin, he again outlined his health care agenda for 2003, which he stated "improves health security for all Americans by building on the best features of American health care." Elements of the President's agenda are summarized below.

Medicare Reforms: The President calls for the creation of a Medicare prescription drug program within a reformed Medicare program, including proposals to give private insurers greater incentives to participate in

the Medicare program and offer Medicare+Choice products. Incentives include higher premiums, particularly in urban and suburban areas where premium growth has been capped in recent years due to the Balanced Budget Act of 1997 (BBA). The President would like to make private insurers' Medicare products more attractive to the nation's seniors by enabling HMOs to offer enhanced benefits packages at affordable prices, while also allowing beneficiaries to share in any savings that might accrue if they choose a low-cost, private plan. In addition, the President proposes adding a prescription drug benefit

to the Medicare fee-for-service program, as well as new preventive health care benefits.

Medicare Reimbursement: The President proposes continuing a policy, enacted as part of the Balanced Budget Refinement Act of

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Congressional Leaders Question President's Budget

On February 8, 2002, House Ways and Means Committee Chairman Bill Thomas (R-CA) and Ways and Means Health Subcommittee Chair Nancy Johnson (R-CT) wrote to Health and Human Services (HHS) Secretary Tommy Thompson and Office of Management and Budget (OMB) Director Mitchell Daniels questioning the President's budget proposals for Medicare provider payments. Representatives Thomas and Johnson point out that the President's budget calls for \$190 billion over 10 years for Medicare modernization and a new prescription drug benefit but provides no new funding for Medicare provider payment adjustments, adjustments that the provider community and, in some cases, the Medicare Payment Advisory Commission (MedPAC) have said are necessary to ensure continued Medicare beneficiary access to quality health care services. Indeed, the Representatives point out that the President's budget states

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Canadian EMS Workers Visit Ground Zero, Contribute to GNYHF's EMS Fund

On February 6, 2002, 22 emergency medical service (EMS) workers from the Niagara region of Canada visited New York City to pay tribute to the eight EMS workers killed at the World Trade Center on September 11, and to deliver a \$14,000 check to Greater New York Hospital Foundation's (GNYHF's) EMS Fund. GNYHA established

the EMS Fund through its foundation, GNYHF, to provide assistance to the families of EMS workers lost in the line of duty on September 11 or thereafter.

"We somehow needed to show our support and gratitude to our American colleagues," said Niagara paramedic Jessica New-

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"In Honor of Our Fallen Heroes"—EMS workers from Canada hold up a banner honoring the EMS workers who were killed at the World Trade Center on September 11, 2001.

Bush Health Agenda *continued from page 1*

1999 (BBRA), that restrains the growth of Medicare direct graduate medical education (DGME) payments for teaching hospitals with DGME per resident amounts above 140% of a regionally adjusted national average per resident amount. Under the BBRA, this policy, which restrains payment growth for such teaching hospitals to less than the inflation rate, is due to expire after 2005. The President proposes continuing the policy for several more years, but he does not propose remedying any of the outstanding BBA Medicare reimbursement rate problems that are of concern to GNYHA members, including the indirect medical education cut scheduled to take effect on October 1, 2002; the Medicare inpatient and outpatient update cuts scheduled for next year; the expiration of the skilled nursing facility prospective payment system add-ons; the 5.6% cut in

Medicare reimbursement rates for physicians; and the 15% cut in home health rates scheduled for October 1, 2002. GNYHA is working with members of Congress to ensure the enactment of BBA relief legislation this year.

The Uninsured: The President proposes several measures, estimated to cost \$117 billion over 10 years, which he believes will help uninsured Americans gain access to health insurance. These measures include expanding the availability of Medical Savings Accounts; making it easier for small employers to pool together to offer their employees better health coverage options; creating new refundable tax credits to make private health insurance more affordable for low- and middle-income American families who do not have employer-subsidized insurance; creating tax credits to help the unemployed afford COBRA continuation coverage; granting waivers to states to enable them to cover more Americans through the Medicaid and State Children's Health Insur-

ance Program (SCHIP); continuing the Medicaid transition-to-work program for families making the transition from welfare to work; increasing SCHIP funding available to states; making premium payments for long-term care insurance fully tax-deductible; creating an additional tax exemption for persons who take time to care for parents or children who need long-term assistance; and increasing funding for community health centers.

Other Issues: The President also called upon Congress to pass a patient's bill of rights; stated the Administration's intention to implement strong medical privacy protections in response to the Health Insurance Portability and Accountability Act; stated his intention to complete the job of doubling the National Institutes of Health budget over five years; called for an increase of \$4.5 billion in bioterrorism readiness funding; and proposed a substantial increase in funding for the National Health Service Corps. ■

National Campaign Launched to Recruit Nurses

On February 6, Johnson & Johnson held a press conference in NYC to announce a multi-year campaign that includes national advertising to attract people to nursing, funding to support nursing education and recruitment efforts, and the creation of a Web site that serves as a gateway to nursing schools and nursing organizations. The "Campaign for Nursing's Future" complements and supports the activities identified by GNYHA in its Action Plan to address the nursing shortage, and was developed in conjunction with several nursing organizations. The cost of the campaign is projected to exceed \$20 million over the next two years.

Representatives from GNYHA member facilities attended the press conference. Terry O'Brien, Chief Financial Officer for Lenox Hill Hospital, spoke of the importance of nurses to the hospital's mission and the value the hospital places on staff satisfaction. At a reception in Washington, D.C., held the evening before the press conference, U.S. Secretary of Health and Human Services Tommy Thompson spoke in support of nurses and the Johnson & Johnson campaign.

The Campaign: Two television advertisements, filmed in GNYHA member hospitals



A poster for the "Campaign for Nursing's Future"

and featuring nurses from the New York metropolitan area, have begun running in national and local prime time slots. The ads include male and female nurses, and nurses from diverse cultural and ethnic backgrounds. A

Web site, www.discovernursing.com, provides links to schools of nursing, nursing organizations, and scholarship information. Johnson & Johnson will provide scholarship grants for nursing students and prospective nursing faculty to be administered through the National Student Nurses' Association Foundation and the National League for Nursing Foundation. A career videotape, brochures, and posters are to be made available to high school guidance counselors, school nurses, and nursing school recruiters. The Web site and recruiting materials should be very helpful in GNYHA's outreach with the NYC Board of Education, and the advertisements will bring national attention to the nursing shortage, and contribute to a positive and dynamic image for nurses. ■

SHRPC Approves Member Projects

At its February 7, 2002, meeting, the State Hospital Review and Planning Council (SHRPC) gave conditional or contingent approval to the following GNYHA member projects: **New York-Presbyterian Hospital—Columbia Presbyterian Medical Center**, expansion of intensive care capacity by 18 beds, consisting of six addi-

tional neuroscience intensive care unit beds and 12 surgical intensive care unit beds; **Wyckoff Heights Medical Center**, approval for MRI services and the acquisition of a fixed MRI; and **Bon Secours Charity Health System, Inc.**, approval for establishment as the sole corporate member of the Good Samaritan Hospital Home Care Department. ■

GNYHA Emergency Preparedness Coordinating Council Releases Report of Activities

GNYHA's Emergency Preparedness Coordinating Council has been meeting regularly since November 2001 to facilitate members' emergency preparedness efforts and to encourage collaborative regional planning and disaster response initiatives. The Council comprises representatives both of GNYHA member facilities and of local, State, and Federal agencies involved in public health, emergency preparedness, and disaster response activities. The information below summarizes some of the Council's initiatives.

Detection and Response: The Council has devoted considerable efforts to enhancing providers' ability to detect and respond to nuclear, biological, and chemical events through briefings on identifying and responding to biological and chemical events, anthrax, smallpox, use of the incident command system, and pre-hospital response to nuclear, biological, and chemical events; e-mail of Health Alerts and other information from NYC, the State, and the Centers for Disease Control; emergency preparedness information on GNYHA's Web site; and training and education materials on nuclear, biological, and chemical events for the community at large, employees of health care institutions, and physicians and other practitioners. The Council has also discussed guidelines for personal protective equipment and decontamination capacity, biological preparedness guidelines, and stockpiles and supplies.

Data Collection: The Council has identified key data elements that should be collected before, during, and after any future disasters in order to facilitate response activities, and is

working on the development of efficient systems to collect such information. As part of these efforts, GNYHA has developed a directory of key contact information for numerous governmental and private agencies, key vendors, and other services. GNYHA is also collecting information about members' emergency operations centers and command structures. In addition, the Council is working with the NYS Department of Health (DOH) to develop an Internet-based data collection system that will collect information about bed capacity as well as supply and staffing availability and needs, and it has identified data elements that should be collected concerning event-related visits, admissions, and mortalities. GNYHA is also working with DOH to ensure the existence of a patient locator system to facilitate the identification of individuals who have presented to area hospitals and with public health authorities to encourage broad-based provider participation in syndromic surveillance programs.

Communications: The Council has been reviewing the reasons that many GNYHA members experienced significant disruptions in communication services as a result of the World Trade Center disaster and ways to minimize disruptions in the future. First, GNYHA has prepared a matrix of communications options that describes each option's functionality and limitations, and the Council has discussed the process for undertaking communications risk assessments designed to identify vulnerabilities and solutions for avoiding potential disruptions. Second, GNYHA has facilitated the purchase of 800 megahertz radios for members in certain areas and

arranged for the NYC Office of Emergency Management (OEM) to reinstitute a special health care talk channel on NYC's radio system so that at least NYC-area facilities can communicate with each other and OEM. GNYHA is exploring options for members outside of NYC. Finally, GNYHA is currently exploring options for group purchasing of phones and other communications systems.

Disaster-Related Administrative Issues: The Council plans to work on recommended protocols regarding disaster-related administrative issues, including procedures for communicating with employees within and outside a facility during disasters, use of volunteers, responding to and managing the media, and evacuation procedures. ■

Congressional Leaders Question Budget *continued from page 1*

that provider payment changes legislated by Congress must be "budget neutral in both the short and long-term." According to Thomas and Johnson, MedPAC, which is nonpartisan, recommends \$174 billion in provider payment adjustments over the next 10 years, including changing the way physician updates are calculated (\$128 billion), providing full inpatient updates for all hospitals in areas of fewer than one million people (\$15 billion), folding the resource utilization group add-on payments for skilled nursing facilities (SNFs) into the SNF rates (\$10 billion), eliminating the 15% cut in home health agency rates scheduled for October 1, 2002 (\$17 billion), and other items. The health care industry has supported many of the MedPAC proposals as well as others, including eliminating the indirect medical education cut scheduled for October 1, 2002, and providing a full inpatient update for all hospitals, including urban and suburban hospitals. "Does the Administration believe Congress should address any of the problems identified by the MedPAC with respect to hospitals, home health agencies, physicians, skilled nursing facilities and dialysis facilities?" the letter asks. Thomas and Johnson ask HHS Secretary Thompson and OMB Director Daniels also to identify specific Medicare cuts and savings proposals, if the Administration is to hold to its position that provider payment changes must be budget-neutral. ■

AROUND

Kenneth I. Berns, M.D., Ph.D. has been appointed President and CEO of Mount Sinai Medical Center. Dr. Berns comes to Mount Sinai from the University of Florida Health Science Center, Gainesville, where he had served as Vice President for Health Affairs and Dean of the College of Medicine. • Continuum Health Partners, Inc., has named **Richard F. Daines, M.D.** President and CEO of St. Luke's-Roosevelt Hospital Center. Dr. Daines had been Senior Vice President for Medical Affairs and Medical Director at St. Luke's-Roosevelt since May 2000. Before joining St. Luke's-Roosevelt, he was Senior Vice President for Professional Affairs and Medical Director of St. Barnabas Medical Center. • **Michael S. Kaminski, Jr.** has been named CEO of Interfaith Medical Center. He succeeds **Corbett A. Price**, who will continue to be a member of Interfaith's Board of Trustees. Mr. Kaminski had served as Interfaith's Executive Vice President and Chief Operating Officer since 1992, and before that was President and CEO of Flushing Hospital Medical Center.

Canadian EMS Workers

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bold, who helped organize the trip. "We felt the best thing we could do was raise money, and . . . that any money we raised would be donated to the EMS families left behind."

After a tour of Ground Zero arranged by GNYHA, the group visited GNYHA's offices, where paramedic Thomas Skelton presented the \$14,000 check and the paramedics unfurled a banner, signed by thousands of Niagara-area residents, that said, "In Honor of Our Fallen Heroes." The banner was later hung in St. Paul's Cathedral near Ground Zero. The following tribute by paramedic Ron C. Sonoda, for those who lost their lives on September 11, was read at GNYHA:

Ground Zero Epitaph

Quietly I lay beside the Fallen Heroes.

*Blanketed in the dust and watched
over carefully by the living.*

I hear your prayers and quiet sad thoughts.

Your tears wash away the wrong.

Your flowers and candles keep us warm.

*If you remember the hatred, you forget us
and what we stood for;*

what we died for.

Remember our children.

Remember our freedom.

Remember us, "the few who serve the many."

*And remember that this was our finest
moment.*

Spirit of a Paramedic, 911—2001 ■

IOU Is Awarded Grant to Help the Uninsured

The Robert Wood Johnson Foundation has awarded a grant to the Greater New York Hospital Foundation for its Insurance Options for the Uninsured (IOU) initiative to develop and pilot-test a Web-based tool that will help identify health resources available to uninsured residents of NYS. The Health Insurance Training and Education (HITE) Network will comprise a comprehensive, searchable database with a community-by-community listing of health care resources for the uninsured plus an eligibility calculator to help the uninsured determine the public health insurance programs for which they are likely to qualify. This

initiative is the first effort in NYS to compile comprehensive information about health resources for the uninsured and make that information accessible through the Web to a wide range of organizations working with low-income, uninsured clients. Initially, the HITE Network will be pilot-tested among organizations in several diverse communities throughout NYS. Coalitions within these communities, comprising social service agencies, faith-based organizations, clinics, homeless shelters, hospitals, health plans that participate in Medicaid and Child Health Plus, and facilitated enrollers, will work closely with IOU staff to tailor HITE to their needs. ■

Upcoming GNYHA Briefings

Open-Access Scheduling

Date: Thursday, February 28, 2002

Time: 1:00 p.m.—4:00 p.m.

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

Pioneered by Kaiser Permanente in the early 1990s, open-access scheduling has been shown to increase patient and staff satisfaction, and decrease patient cycle time and clinician workload. At this briefing for GNYHA members, Eric Manheimer, M.D., Medical Director and project leader for open-access scheduling at Bellevue Hospital, and several of Bellevue's managers, will speak about their experiences implementing open-access scheduling in a high-volume outpatient environment. For more information, contact Susan Stuard, and to register, contact Barbara Marino, both at GNYHA.

JCAHO Emergency Management Standards

Date: Tuesday, March 5, 2002

Time: 10:00 a.m.—12:00 noon

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

Representatives from the Joint Commission on Accreditation of Healthcare Organizations (JCAHO) will discuss the revisions to the emergency management standards for hospitals and nursing homes (E.C.1.4) that became effective on January 1, 2001. JCAHO representatives will also discuss changes to the hospital emergency management standards that became effective on January 1, 2002, but that will not be scored for accreditation decision purposes until January 1, 2003. For more information, contact Doris R. Varlese, and to register, contact Barbara Marino, both at GNYHA. ■

CMS Report Highlights Need for Stability in Medicare SNF Payments

On February 6, the Centers for Medicare and Medicaid Services (CMS) released a report on Wall Street's view of the financial performance of skilled nursing facilities (SNFs). The report concluded that Wall Street is "skittish" about the possibility of reduced funding for SNFs in the near term, fearing a continued industry struggle through the SNF prospective payment system (PPS) implementation. In the long term, investors are optimistic about the nursing home sector's prospects based on projections of increased nursing facility demand in the U.S. However, Wall Street's view of long-term stability is rooted in the extension of the add-on payments provided under the Bal-

anced Budget Refinement Act of 1999 and the Benefits Improvement and Protection Act of 2000. These add-ons included a 4% across-the-board rate increase, a 16.66% increase in the nursing component of the Federal rate, and a 6.7% increase in payments under the 14 rehabilitation resource utilization groups (RUGs)—all of which are currently scheduled to expire in October 2002. Wall Street's concerns specifically challenge the Medicare Payment Advisory Commission's (MedPAC's) expected recommendation to Congress to allow the expiration of the add-ons. In the absence of the current rate add-ons, the report acknowledged that consolidated net income margins for freestanding SNFs will fall to

–2.0% in 2002. Financial analysts are optimistic that Congress will come up with an appropriate payment scheme but, in the meantime, find that the add-ons are the "jacks that are holding up a somewhat shaky house."

The report also asserts that not-for-profit SNFs continue to have difficulty accessing capital. It noted that the reduction of the temporary add-ons would trigger an average per diem loss of \$35.42, and underscored the difficulty that would result in access to debt financing. This CMS report is the second in a series that reviews the financial and market performance of health care entities. Future series will provide market updates of virtually every major provider sector. ■