



APRIL 15, 2002

# Skyline news

REPORTING ON NEW YORK'S HEALTH CARE NEWS

## GNYHA Holds 2002 Annual Meeting

**G**NYHA held its annual meeting on April 11, 2002, at the Sheraton New York Hotel in Manhattan. The keynote speaker was New York State Governor George E. Pataki. Two concurrent sessions, one on preparing for terrorism and the other on consumer-focused long term care, followed the Governor's address.

**Business Meeting:** The membership approved a bylaws change that allows for renominations in Board service and allows Board members to serve for six consecutive years (instead of the current bylaws' provision of three consecutive years). The membership also approved the slate of individuals to serve on the Board of Governors and as officers for the Association year 2002-03, as follows: **Edward A. Stolzenberg**, Westchester Medical Center, Chairman; **Stanley Brezenoff**, Maimonides Medical Center, Chairman-Elect; **Herbert Pardes, M.D.**, New York-Presbyterian Healthcare System, Vice Chairman; **Michael Dowling**, North Shore-Long Island Jewish Health Care System, Vice Chairman; **Arthur**

**Y. Webb**, Village Care of New York, Vice Chairman; **Peter A. Kelly**, Continuum Health Partners, Inc., Secretary; **David J. Campbell**, Saint Vincent Catholic Medical Centers, Treasurer; **Benjamin Chu, M.D., M.P.H.**, New York City Health and Hospitals Corporation, Assistant Treasurer; **Theresa A. Bischoff**, NYU Hospitals Center, Immediate Past Chair; **Gladys George**, Lenox Hill Hospital, Past Chair; **Mark J. Mundy**, New York Methodist Hospital, Past Chairman; **Barry R. Freedman**, The Mount Sinai Hospital, Past Chairman; **John R. Gunn**, Memorial Hospital for Cancer and Allied Diseases, Past Chairman; **Spencer Foreman, M.D.**, Montefiore Medical Center, Past Chairman; **Frederick D. Alley**, The Brooklyn Hospital Center, Past Chairman; and **David P. Rosen**, MediSys Health Network, Past Chairman. The membership also elected the following nominees to serve

on the GNYHA Board in the class of 2005: **Leonard A. Aubrey**, NYU Downtown Hospital; **Frank A. Calamari**, Calvary Hospital; **Samuel Daniel, M.D.**, North General Hospital; **Sheldon L. Goldberg**, The Jewish Home and Hospital; and **Wendy Z. Goldstein**, Lutheran Medical Center. **Ronald T. Mullahey**, Health Quest Systems, Inc., and **Bruce Schroffel**, University Hospital-S.U.N.Y. at Stony Brook, were approved to fill Board vacancies in the class of 2003.

**President's Remarks:** GNYHA President Kenneth E. Raske discussed the dominant health care economy trends of the 1990s, as well as potential revenue, workforce, and capacity trends over the next few years. Mr. Raske also highlighted GNYHA's advocacy priorities for 2002, including halting further indirect medical education (IME) cuts, preserving Medicaid funds, increasing

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Governor George E. Pataki speaking at the GNYHA Annual Meeting on April 11.

## Governor Announces Release of HCRA 2000 GME Incentive Pool Awards

**A**t GNYHA's Annual Meeting on April 11, Governor Pataki announced that the \$31 million graduate medical education (GME) State incentive pool funds were being released. The GME incentive pool program was originally authorized in the Health Care Reform Act (HCRA) of 1996, and reauthorized in HCRA 2000 with certain modifications.

The program rewards teaching hospitals and GME consortia each year for achieving State policy goals, including residency downsizing, increasing underrepresented minority participation in GME, enhanced ambulatory care training, and other goals. The awards will be provided to 85 teaching hospitals across the State that made progress toward or fully achieved these State goals. ■

access to health care coverage for the uninsured, helping members with their emergency preparedness plans; facilitating members' cash flow, supporting managed care reform, working with members to improve quality, and addressing the health care workforce shortage.

**Keynote Address by Governor Pataki:** Governor Pataki described the State's programs to improve health care access, including Child Health Plus; EPIC [Elderly Pharmaceutical Insurance Coverage], the prescription drug program for seniors; and Family Health Plus (FHP), the State's new health care program for working adults. The Governor also talked about the importance of the Health Care Reform Act (HCRA) of 1996, HCRA 2000, and the most recent expansion of HCRA 2000, which led to the creation and passage of the Healthcare Workforce Recruitment and Retention Act. The Act supplies critical new funding to help providers recruit and retain health care professionals and other personnel. Finally, the Governor announced that \$31 million in funding is being released from the State's graduate medical education incentive pool (see story on page 1). He concluded by pledging his continued support to New York's health care community and his commitment to ensuring that New York's health care system remains the best in the world.

**Preparing for Terrorism:** The panel, which was moderated by Susan C. Waltman, Senior Vice President and General Counsel of GNYHA, discussed how our nation, region,



**GNYHA Chairman-Elect Ed Stolzenberg (left), President and CEO, Westchester Medical Center, with current Chair Theresa Bischoff, President, NYU Hospitals Center, at the GNYHA Annual Meeting on April 11.**

and health care community are preparing for the threat of terrorism. R. James Woolsey, a Partner at Shea and Gardner, and a former Director of Central Intelligence (1993–95), discussed the global threats that our nation is facing and the need for reviewing how systems can be resistant to terrorist attacks. Jerome M. Hauer, Senior Advisor to U.S. Secretary of Health and Human Services Tommy Thompson for National Security and Emergency Management, and former Director of the NYC Mayor's Office of Emergency Management, discussed the threats that our nation is facing and the Federal government's response. Edward J. Gabriel, Deputy Commissioner, NYC Office of Emergency Management (OEM), discussed systems that NYC has in place to detect terrorism, which include data from hospitals and other providers. John Odermatt, the newly appointed Commissioner of OEM, was also introduced at the session.

**Long Term Care:** This session explored the

most influential initiatives affecting long term care today. Daniel Reingold, M.S.W., J.D., Executive Vice President of Hebrew Home for the Aged at Riverdale, moderated the panel discussion. Paul Elstein, Ph.D., Deputy Director, Quality Measurement and Health Assessment Group, Centers for Medicaid and Medicare Services (CMS), gave an overview of the CMS initiative to publish nursing home quality outcomes. Alan White, Ph.D., Abt Associates, outlined the key findings of the recently released CMS study—on which he was the Principal Investigator—on whether staffing ratios in nursing homes are feasible or appropriate. White's discussion noted that several factors, including the insufficiency of available staffing data, raise questions about the feasibility of imposing mandated staffing standards, and mentioned that other important factors also contribute to improved quality including supportive management practices, improved training, and single-task personnel during peak hours. Rosalie Kane, D.S.W., Director, Center for Long Term Care, University of Minnesota School of Public Health, presented the findings from several years of research on quality-of-life measurement in nursing homes. ■

## GNYHF Receives Youth Training Grant

Greater New York Hospital Foundation, Inc. (GNYHF), a not-for-profit affiliate of GNYHA, has been awarded a \$525,103 Workforce Investment Act (WIA) Youth Incentive Grant for Business to help young New Yorkers gain work experience in high-demand health care occupations. The grant was one of six awarded by the New York State Department of Labor to organizations throughout the State.

GNYHF, in partnership with the Brooklyn and Staten Island High School Superintendent's Office and the Brooklyn High School Superintendent's Office of the New York City Board of Education, will use the grant to establish a Nursing and Health Career Development Program, which will consist of a Career Exploration Program to

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### Legislative Digest

In recent weeks, Governor Pataki, the New York State Senate, and the New York State Assembly have taken action on the following health-related pieces of legislation:

**Whistleblower Legislation:** Governor George Pataki signed the health care "whistleblower" legislation on April 2, 2002. The law prohibits health care employers from taking retaliatory action against any employee who discloses information to a public body, or refuses to participate in any hospital policy or practice, that the employee believes could result in improper quality of patient care. • **Medical Records Fees:** Absent an agreement on the fiscal year 2003 State budget, the Senate and Assembly passed an emergency appropriations bill to continue State operations. The bill also included repealing a portion of this year's workforce legislation that increased the fees providers could charge for medical records copying. The workforce legislation would have raised the maximum allowable fee from 75 cents per page to \$1 per page for paper copies and \$2 per page for microfilm or microfiche. • **Local Lobbying:** Effective April 1, 2002, lobbyists are required to register and report all local lobbying of municipalities with a population greater than 50,000. Activities must be reported to the New York State Temporary Commission on Lobbying. ■

# GNYHA Report Shows Nursing Shortage Is Concern for Hospitals

The GNYHA Survey of Nurse Staffing in Hospitals in the New York City Region, 2002, which was released at the GNYHA Annual Meeting on April 11, documented the continuing nursing shortage in our area. Fifty-nine hospitals in the New York metropolitan area submitted data for the year 2001.

## Upcoming GNYHA Briefings

### Regulatory and Payment Changes for Chemical Dependence Services

**Date:** Thursday, April 25, 2002

**Time:** 10:00 a.m.–12:00 noon

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

GNYHA has scheduled a briefing by the NYS Office of Alcohol and Substance Abuse Services (OASAS) regarding proposed regulatory changes that will affect the operation and reimbursement methodology for chemical dependence services. Because the regulations will have a financial impact on Article 28 providers, the New York State Department of Health, which has responsibility for setting out-patient fees, will be present at the meeting. For more information contact Patricia O'Brien, and to register contact Barbara Marino, at GNYHA.

### HIPAA Payers

**Date:** Tuesday, April 30, 2002

**Time:** 9:30 a.m.–12:30 p.m.

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

This GNYHA member briefing will feature presentations from three payers—Empire, HIP, and Medicare—on their HIPAA transaction set implementation strategies and timelines. For more information contact Ellen Lukens, and to register contact Barbara Marino, at GNYHA.

### Hospitalist and Intensivist Programs

**Date:** Thursday, May 2, 2002

**Time:** 10:00 a.m.–4:00 p.m.

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

This briefing will feature speakers from GNYHA member institutions presenting their organizations' experiences in the development of hospitalist and intensivist program models. Representatives from the Society of Critical Care Medicine will comment on the Leapfrog Group standards and describe their view for the business case as it pertains to physician staffing in intensive care units. For more information contact Tim Johnson or Lillian Forgacs, and to register contact Barbara Marino, at GNYHA. ■

**Vacancy and Turnover Rates:** The survey found an average vacancy rate for direct care registered nurses (RNs) of 8%, with higher vacancy rates reported in the Bronx (14%), Staten Island (10%), Westchester (12%), and other counties north of New York City (12%). Of note, 32% of hospitals reported vacancy rates of 10% or higher for direct care RNs, compared with 9% of hospitals in 1999. The average vacancy rate for nurse managers is slightly higher than last year at 8%, and slightly lower for licensed practical nurses (LPNs) at 11%. The nurse aide (NA) vacancy rate is stable at 7%. Turnover rates for all categories of nursing personnel are greater than 10%, with over 60% of hospitals experiencing turnover rates of 10% or higher among direct care RNs, compared with 39% in 2000, and 28% in 1998.

**Applicant Availability:** Over 50% of hospitals report taking longer than three months to fill RN positions in critical care, perioperative, and emergency services. The majority of hospitals perceive a decrease in the number of applicants for RN positions. However, the percentage of hospitals reporting a decrease in the applicant pool was lower than last year for all categories except LPNs. In 2001, hospitals hired more experienced nurses than new graduates, and the proportion was greater than in 1998 and 2000.

**Skill Mix:** Perhaps reflective of the difficulty recruiting RNs, the critical care specialty units show a larger proportion of NAs compared with RNs this year over last year. On the other hand, the proportion of RN staff increased in pediatrics and medical-surgical units.

**Age of the RN Workforce:** Sixty percent of the RN workforce is over age 40, which, although high, compares favorably with the national average of 68%.

**Financial Implications:** The primary expenses identified by hospitals are related to overtime and agency fees. An increased percentage of hospitals reported using in-house per diem nurses, travel agencies, and

float pools to supplement RN vacancies, with a small decreased reliance on overtime and local agency nurses. Over 28% of hospitals reported diverting patients from their emergency rooms due to a shortage of nurses, and 11% of hospitals reported closing beds or units due to the shortage. The impact of these expenses and lost revenue is compounded by the additional money hospitals spend on recruitment and retention efforts, such as tuition reimbursement, salary differentials, and other financial incentives.

### Recruitment and Retention Strategies:

The use of 12-hour shifts was identified as a recruitment strategy by 93% of hospitals and was rated as most effective by the majority of hospitals. There has been an increase in both the number of hospitals offering internships for nursing students and the use of open houses, and both were judged to be effective recruitment strategies. Although hospitals reported increased utilization of Web-based recruitment strategies and financial incentives, neither was considered effective. Forty-four percent of hospitals expressed interest in hiring foreign nurses under the H1B Visa program.

The most frequently used retention strategies are tuition reimbursement, flexible hours, and no shift rotation. The strategies rated as most effective by the largest percentage of hospitals were flexible hours, no mandatory overtime, and no shift rotation. For 38 responding hospitals, mandated overtime made up less than 1.6% of all overtime hours at their facilities.

**GNYHA's Action Plan:** GNYHA has been actively pursuing solutions to the nursing shortage to ensure that hospitals are able to meet their commitment to provide quality patient care. The collaboration that GNYHA initiated between the City University of New York and 1199/SEIU-New York's Health and Human Service Union to increase accessibility of nursing education was cited as an example of an effective approach to resolving the nursing shortage by the American Hospital Association's (AHA) Commission on Workforce for Hospitals and Health Systems in a recent report, *In Our Hands: How Hospital Leaders Can Build a Thriving Workforce*. ■

# GNYHA Continuing Care Staffing Study Documents Ongoing Challenges

A shortage of workers needed to fill key direct care staffing positions persists in presenting challenges for New York-area continuing care facilities, according to GNYHA's study, *Continuing Care Staffing in the New York City Region, 2002*, which was released at the GNYHA Annual Meeting on April 11.

**The Survey:** The survey, which was conducted during February and March 2002, focused on the situation during calendar year 2001. Fifty-three facilities located in the metropolitan New York area, representing 16,105 State-certified beds, participated. The survey examined vacancy and turnover rates for registered nurses (RNs) serving in a management or supervisory role, direct care RNs, licensed practical nurses (LPNs), and certified nursing assistants (CNAs). The survey also explored the age of the workforce; the extent of agency staff employment; recruitment challenges; and the prevalence of specific retraining, retention, and recruiting strategies.

**Vacancy and Turnover Rates:** The survey found average vacancy rates of 15.1% for LPNs, 12.4% for RNs, and 8.3% for management RNs in responding facilities. While lower vacancy rates were identified for CNAs (2.3%), 16.7% of facilities surveyed were actively recruiting to fill 10 or more CNA positions. Of particular concern, the survey found that more than one-half of continuing care facilities experienced vacancy rates of 10% or higher for staff RNs (56.5%) and LPNs (60.4%), while more than one-third (35.4%) experienced vacancy rates of 10% or higher for management RNs. With respect to turnover rates, the study identified median rates of 23.2% for staff RNs, 20.0% for LPNs, 16.7% for management RNs, and 12.1% for CNAs.

**Age of the Workforce:** Confirming concerns over an aging continuing care workforce, the survey found that RN management had the highest median age (48 years old), followed by staff RNs (median of 44

years old), LPNs (median of 42 years old), and CNAs (median of 42 years old).

**Recruitment and Retention:** Facilities needed more time in 2001 than in 2000 to recruit staff in all categories. A larger proportion of facilities in 2001 reported that they needed more than three months to recruit staff. In addition, facilities ranked recruitment efforts as more difficult in 2001 for all staff categories except for CNAs, for which the level of recruiting difficulty remained the same as it was in 2000. The most prevalent retraining, retention, and recruiting strategies included participating in job fairs (58.3%), offering sign-on bonuses (56.3%), and participating in programs with local colleges and high schools to attract student caregivers and new graduates as employees (50.0% and 31.3%, respectively).

**GNYHA's Activities:** The information from the current survey will support GNYHA's efforts to address the workforce shortage through its multifaceted action plan. GNYHA will continue to work with State and Federal legislators, policymakers, and public officials to address the need to develop solutions in the health care community to alleviate the current problem. ■

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## State to Release RFAs for Health Workforce Initiatives

The New York State Department of Health (DOH) and Department of Labor are expected to release requests for applications (RFAs) this week for several grants programs.

The *Health Workforce Retraining Initiative* (HWRI) is intended to train or retrain health care workers to obtain positions in occupations with documented shortages of workers, as well as to train and retrain health care workers who need new skills as a result of changes in the health care system. HWRI is part of the Health Care Reform Act of 2000, which authorized a total of \$90 million for 2001 and 2002. Organizations eligible to apply for funding include health care facilities, health worker unions, labor-management committees and certain joint labor-management training funds, health care facility trade associations, and educational institutions. Bidders' conferences will be held in Buffalo, New York City, and Albany in early May to assist applicants

with the development of proposals. Applications are due August 2, 2002.

The *Temporary Assistance for Needy Families (TANF) Health Worker Training Initiative* is intended to recruit and train TANF-eligible individuals for jobs in hospitals, nursing homes, and home health care agencies. The TANF block grant was created under the Personal Responsibility and Work Opportunity Reconciliation Act with the goal of moving individuals from welfare to work with maximum self-sufficiency. Eligibility for TANF assistance in New York State is based on immigration status and family income, which must be at or below 200% of the Federal poverty level. For 2002, \$20 million is available. Bidders' conferences will be held in New York City and Albany in late April and early May.

The RFAs for the programs will be available at [www.health.state.ny.us/home.html](http://www.health.state.ny.us/home.html), the DOH Web site. ■

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## GNYHF Receives Youth Training Grant

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expose high school students to health career opportunities through summer internships in GNYHA member facilities; and an internship program in GNYHA member facilities for graduates of high school licensed practical nurse and certified nursing assistant programs.

The program's targeted occupations include nurse, pharmacist, physical therapist, radiation technologist, radiation physicist, lab and medical technologist, and researcher. The Emerging Worker Subcommittee of the State Workforce Investment Board will review the progress of the program and, if it is successful, replicate it in other areas of the State. ■