



APRIL 29, 2002

Skyline news

REPORTING ON NEW YORK'S HEALTH CARE NEWS

RN Graduations Decline for Fifth Consecutive Year

According to a study, *Trends in Registered Nursing Graduations in New York State, 1996–2002*, the number of graduates from education programs in New York State that prepare registered nurses (RNs) decreased for the fifth consecutive year in 2001, with a cumulative decrease from 1996 through 2001 of 31%. The Center for Health Workforce Studies (CHWS) at the University

at Albany, State University of New York (SUNY), has surveyed RN education programs in each of the past three years. Based on current enrollments, the number of RN graduates is likely to rise over the next several years, with a 4% increase in RN graduates projected for 2002 and an 11% increase projected for 2003. However, the projected num-

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HOLD THE
DATE!

**GNYHA 2002
Reception
and Cocktail Buffet:**

- Thursday, June 13, 2002
- 5:30 p.m.
- The Regent Wall Street

New Report Details Potential Risks of Cutting Medicare IME Payments

The Moran Company recently released a White Paper entitled *Medicare Reimbursement for Teaching Hospitals: Understanding the Implications of Indirect Medical Education Payment Policy*. The report was commissioned by GNYHA and the Association of American Medical Colleges (AAMC) to prepare Federal policymakers for this year's debate on the Medicare indirect medical education (IME) adjustment, which is scheduled to be reduced by 15% on October 1, 2002. The reduction would cost teaching hospitals almost \$800 million in Federal fiscal year 2003, and \$4.2 billion over five years. GNYHA and the AAMC are advocating

for new legislation that would maintain the IME adjustment at its current level. The report says that major teaching hospitals are struggling with poor profitability and many are unable to leverage private payers because they are located in competitive markets. Compounding this problem are severe wage and other cost pressures, including new costs for emergency preparedness. Therefore, the scheduled IME could weaken the academic medical infrastructure in the United States. The report concludes that "deciding IME financing policy solely in the context of Medicare payment system terms runs the risk of arriving at solutions that may be judged to be optimal from a Medicare policy perspective, but which

may be suboptimal from the perspective of the Nation's interest in promoting the graduate training of physicians—and the yet broader interest we have in insuring the continued viability of major hospitals that perform a wide variety of important roles in our health care system."

Donald W. Moran founded The Moran Company in 1998. He served previously as Legislative Assistant to Congressman David Stockman (R-MI), as well as Staff Director of the House Republican Economic Policy Task Force and Executive Associate Director for Budget and Legislation at the U.S. Office of Management and Budget, among other activities. A copy of the report is available on the GNYHA Web site, at www.gnyha.org. ■

CMS to Extend Two Nursing Home Rate Add-Ons

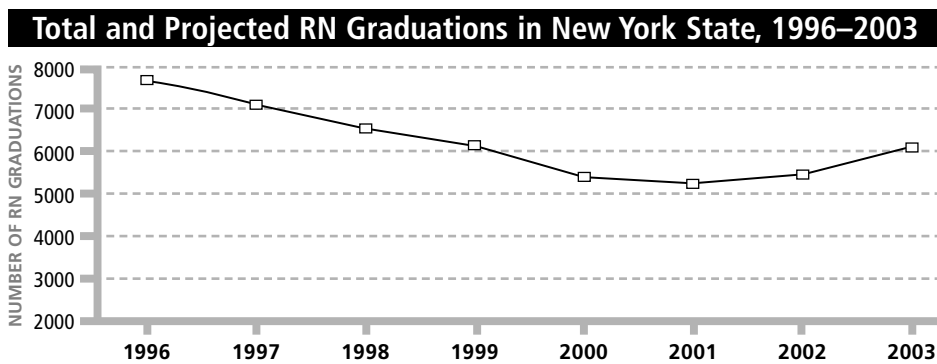
On April 23, 2002, the U.S. Department of Health and Human Services (HHS) announced that the current 20% Medicare nursing home rate add-on for extensive services, special care, and clinically complex Resource Utilization Groups (RUGs), and the 6.7% add-on for rehabilitation RUGs, will remain in place next year. This action is the result of a decision by the Centers for Medicare and Medicaid Services (CMS) to delay making certain refinements in the skilled nursing facility (SNF) prospective payment system (PPS).

The two add-ons, which, according to a GNYHA preliminary impact analysis, together provide an estimated \$31.71 per Medicare day for SNFs in the New York metropolitan area, were provided as temporary payment increases under the Balanced Budget Refinement Act of 1999 (BBRA) and the Benefits Improvement and Protection Act of 2000 (BIPA). The add-ons are scheduled to expire upon refinement of the current RUGs classification system. However, CMS has determined that the implementation of such refinements is not feasible this year, and consequently it now appears that the two add-ons will remain in place through Federal fis-

cal year 2003. Two separate add-ons will expire, however, after September 30, 2002, unless Congress intervenes directly to extend them.

GNYHA has been advocating strongly for the extension of all four of the add-ons established under the BBRA and BIPA. We estimate the value of the two add-ons extended by this week's HHS decision at \$24 million per year for our member facilities alone. While pleased by the HHS decision, GNYHA remains focused on ensuring that Congress retains the additional two add-ons beyond the current September 30th expiration date, and is continuing to work with Congress both directly and in tandem with national partners to achieve this goal. ■

RN Graduations Decline for Fifth Consecutive Year *continued from page 1*



Source: Center for Health Workforce Studies, "Trends in Registered Nursing Graduations in New York, 1996-2001" (Albany: University at Albany, SUNY, April 2002).

ber of RN graduates in 2003 will still be 1,560 fewer than in 1996 (see graph above). Based on Federal Bureau of Labor Statistics estimates of job growth and replacement needs, the expected number of RN graduates in 2003 would be well below the number needed to fill future RN job openings in New York State. The study notes that the decline in RN gradu-

ations has contributed significantly to nursing shortages in the State, and suggests that the renewed interest now being reported may reflect an increased public awareness of the opportunities in nursing, as well as a response to a weakening economy. GNYHA plans to hold a nursing summit to increase nursing school enrollments (see below). ■

GNYHA to Host Summit on Nursing Shortage

GNYHA President Kenneth E. Raske is inviting directors of nursing education programs from across the State to a summit on the nursing shortage in June. The goal of the summit will be to develop an action plan to meet a very specific goal—to increase the number of graduates of professional nursing education programs in New York State by 50% over the

next five years. "It's a challenging goal," said Mr. Raske, "but I strongly believe that if hospital and nursing home management works side-by-side with nursing education leaders, we will succeed. And I think we can provide a model action plan for the rest of the country."

For more information, call Patricia O'Brien, R.N., Ph.D., at GNYHA. ■

Prompt Pay Fines Imposed in NYS

The NYS Insurance Dep't. announced a new round of fines under the State's prompt pay law. Under the law, health plans and insurers that fail to pay undisputed claims to providers within 45 days of receipt are subject to fines and interest payments. Fined health plans included Oxford (\$918,200), Aetna (\$751,650), Vytra (\$265,100), GHI (\$244,200), Cigna (\$236,950), HIP (\$209,300), United (\$161,600), Empire Healthchoice (\$11,100), and Americhoice (\$7,500). ■

Legislative Digest

In recent weeks, Governor Pataki and the NYS Assembly took action on the following health-related pieces of legislation:

Staffing Ratios: The Assembly passed A.2581, requiring health care providers to post staffing ratios for licensed and unlicensed personnel. The bill also requires facilities to post the number of adverse incidents and complaints filed with government agencies. GNYHA opposes this bill because it would provide the public with information that is unclear and difficult to interpret. •

Reapportionment: The Governor signed legislation establishing new legislative districts for the Senate and Assembly. The Senate now has 62 seats, an increase of one, and the Assembly remains at 150 seats. The Legislature must now reapportion the New York Congressional Districts. ■

GNYHA Ventures and NaviCare Systems Form Strategic Alliance

GNYHA Ventures, Inc. and NaviCare Systems, Inc., a provider of technology-based, real-time workflow and patient flow management systems, recently announced a strategic alliance that brings resource optimization solutions to GNYHA

member institutions. NaviCare's proprietary software solution offers New York-area health care institutions a practical and cost-effective tool to address the complex operational challenges that health care institutions face today. The Cleveland Clinic Foundation, Yale-New Haven Hospital, and Hospital of the Univer-

sity of Pennsylvania are among the institutions that are currently using the software.

NaviCare's real-time communication and workflow tools can be implemented enterprise-wide and in clinical departments throughout the health care organization, providing health care professionals and support staff with critical information on operating room availability, inpatient and emergency room bed and staffing needs, and anticipated patient admissions and discharges during the day. NaviCare's computer-based system uses a point-of-care data collection methodology that allows staff to track the progress of both patient care and the health care team, as well as anticipate the need for or availability of resources. Through the use of NaviCare, health care institutions can realize financial and other benefits such as reduced diversions of ambulances from emergency rooms; increased admissions and bed utilization; increased surgical volume; improved caregiver productivity; reduced overtime; and improved staff, patient, and family satisfaction.

GNYHA Ventures will be holding two briefing sessions to demonstrate the NaviCare solution to representatives from GNYHA member institutions; for details, see "Upcoming GNYHA Briefings" on page 4. ■

Governor Pataki Signs Bill Ensuring Prenatal Care for Undocumented Immigrants

Governor Pataki recently signed into law a bill passed by the Legislature ensuring that low-income, undocumented immigrant women will continue to be eligible for prenatal health care services through New York's Prenatal Care Assistance Program (PCAP). Coverage for this group was in jeopardy after a Federal Court of Appeals ruled in May 2001 that the Federal government did not have to fund prenatal care in New York State for undocumented pregnant women. Until that ruling, the State had been providing PCAP coverage to undocumented women, but under State law, coverage was contin-

gent on the Federal government providing matching funds for prenatal care services. The new legislation allows New York State to continue providing health coverage to low-income, pregnant women, regardless of their immigration status and regardless of whether the Federal government contributes funding. GNYHA supports this legislation, which is consistent with the goals of a campaign launched last year by the Healthcare Education Project—a joint initiative of GNYHA and 1199/SEIU—to allow immigrants to access publicly funded health insurance programs on the same basis as citizens. ■

CMS Proposes Streamlined MDS Form for SNFs

Consistent with GNYHA recommendations presented to the Centers for Medicare and Medicaid Services (CMS) in August 2001, CMS has proposed a shorter version of the minimum data set (MDS), the assessment instrument used to determine payments under Medicare's skilled nursing facility (SNF) prospective payment system (PPS). The new document, the MDS Medicare PPS Assessment Form (MPAF), is a four-page form that contains a subset of components from the current six-page MDS 2.0 form. In July 2002, CMS plans to allow facilities to use the shorter MPAF rather than the full MDS for certain submissions. According to CMS, SNFs may use the abbreviated form for assessments done solely for SNF PPS purposes once the MPAF is operative. Facilities may still submit a full MDS during these occa-

sions, but the sections that are not on the MPAF will be ignored and will not be stored in the state database. In addition, CMS indicated that no software changes will be necessary for providers. During the initial, annual, and significant change in status assessments—completed for both Omnibus Budget Reconciliation Act of 1987 and SNF PPS purposes—all PPS-required items and state-specific

items must be submitted and will be stored in the state database. GNYHA is developing comments regarding the proposed MPAF, and members are encouraged to provide any comments by June 21, 2002. For more information, contact Roxanne Tena-Nelson at GNYHA. To view the MPAF and other information, visit the CMS Web site at www.hcfa.gov/medicaid/mds20/man-form.htm. ■

AROUND

Michael D. Israel has been named the new Chief Operating Officer of the North Shore-Long Island Jewish (LIJ) Health System. He assumes the position vacated by **Michael J. Dowling**, who became North Shore-LIJ's President and Chief Executive Officer this past January. Mr. Israel, currently the Vice President of Duke University Health System and Chief Executive Officer of Duke University Hospital, will join North Shore-LIJ in June. ■

Upcoming GNYHA Briefings

JCAHO Process Changes and ORYX Core Measure Requirements

Date: *Wednesday, May 1, 2002*

Time: *9:00 a.m.–4:30 p.m.*

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

This special one-day program, which will be presented by Premier Healthcare Informatics, focuses on the changing standards of the Joint Commission on Accreditation of Healthcare Organizations (JCAHO), with particular emphasis on the JCAHO ORYX core measures initiative. The program will cover compliance with patient safety standards, JCAHO's evolving expectations for emergency management, assessing staff effectiveness, and making the transition to meet core measure requirements. Premier staff will also discuss and demonstrate their online tool for managing core measures and other performance improvement activities. For more information call Dana Sherwin, and to register call Barbara Marino, at GNYHA.

Funding Opportunities Through the National Library of Medicine

Date: *Monday, May 6, 2002*

Time: *10:30 a.m.–12:30 p.m.*

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

At this briefing, staff from the National Library of Medicine (NLM) will discuss the NLM and explain its grant programs in the area of information technology. The presentation will focus specifically on two recently released requests for applications for grants covering projects related to Internet Access to Digital Libraries, aimed at improving access to digital health information resources and information services, and Integrated Advance Information Management Systems, to help health-oriented organizations integrate electronic data, information, and knowledge resources into a comprehensive, networked information management system. For more information call Gary Sokolow, and to register call Cynthia Benchemmar, at GNYHA.

"Hazmat for Health Care" Training Sessions

Dates: *Wednesday, May 8, 2002; Tuesday, May 21, 2002; Tuesday, May 28, 2002; Thursday, May 30, 2002*

Time: *9:00 a.m.–4:00 p.m.*

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

North Shore-Long Island Jewish Health System has received grants from the Federal government to conduct these "train-the-trainer" sessions covering hospital response to hazardous materials (HAZMAT) incidents. The course is appropriate for all types and levels of hospital staff, both clinical and non-clinical, who would then train others at the facility. The subject matter at each session will be identical, so staff need attend only once. This session has been approved for continuing medical education credit. For more information call Doris R. Varlese, and to register call Barbara Marino, at GNYHA.

Medical Effects of Ionizing Radiation

Date: *Thursday, May 9–Friday, May 10*

Time: *8:00 a.m.–4:00 p.m.*

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

The NYC Office of Radiological Health and GNYHA will host a course given by the representatives of the Armed Forces Radiology Research Institute. The program will cover the hazards of ionizing radiation, radiation pathology, human exposure resulting from radiation accidents, consequences of nuclear weapons detonation, and nuclear accident response by government organizations, in addition to diagnosis and treatment of acute radiation syndromes and combined injuries. This course is accredited by the Accreditation Council for Continuing Medical Education to provide continuing medical education credits for physicians, as well as by the American Nurses Credentialing Center for continuing nurse education credits. For more information call Terri Straub, and to register call Cynthia Benchemmar, at GNYHA.

Hospital and Emergency Preparedness Post-9/11

Date: *Tuesday, May 14, 2002*

Time: *9:30 a.m.–12:30 p.m.*

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

Many GNYHA member hospitals have initiated extensive emergency preparedness training, communication systems, and capital improvement upgrades in preparation for potential future acts of terrorism or emergency situations. This briefing will highlight some of members' current initiatives, including implementation details and obstacles to such undertakings. Different hospitals have taken different approaches to preparing for future events, and participants will have the opportunity to discuss various options, lessons learned, and best practices. The program is intended for all health care professionals and administrators involved in planning and implementation of emergency preparedness programs for their facility or network. For more information call Terri Straub, and to register call Cynthia Benchemmar, at GNYHA.

NaviCare Workflow Solutions

Dates: *Manhattan / Wednesday, May 22, 2002; Long Island / Thursday, May 23, 2002*

Times: *Manhattan / 2:00–4:00 p.m.; Long Island / 9:30–11:30 a.m.*

Locations: *Manhattan / GNYHA Conference Center, 555 West 57th Street, 15th Floor; Long Island / Executive Conference Room #2, North Shore-Long Island Jewish Health System, 145 Community Drive, Great Neck*

GNYHA Ventures will hold two briefing sessions, in NYC and on Long Island, for GNYHA members to demonstrate software solutions from NaviCare, a provider of technology-based, real-time workflow and patient flow management systems (see story on page 3). Senior-level administrators and clinicians are encouraged to attend. For more information call Kim Rosenstock, and to register call Barbara Marino, at GNYHA. ■