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Skyline news

REPORTING ON NEW YORK'S HEALTH CARE NEWS

Congress Takes Action on Liability Reform, Patient Safety

Last week, key Congressional committees considered a variety of health care issues, including liability reform and patient safety legislation.

Liability Reform: On September 10, 2002, the House Judiciary Committee approved legislation designed to reduce the costs of liability insurance for health care providers. Specifically, the Committee approved H.R. 4600, sponsored by Congressman James Greenwood (R-PA), that would require health care lawsuits to commence no later than three years after the date of injury; place a \$250,000 cap on non-economic damages; require courts to reduce contingency fees; require a finding of "malicious intent to injure" in order to impose punitive damages; and other reforms. The bill now goes to the full House of Representatives for consideration. GNYHA strongly supports H.R. 4600.

Patient Safety: On September 12, 2002, the House Ways and Means Subcommittee on Health approved the Patient Safety Improvement Act of 2002, sponsored by Subcommittee Chair Nancy L. Johnson (R-CT). The bill would require the creation of Patient Safety Organizations (PSOs) to which hospitals and other health care providers could voluntarily submit information on patient safety and medical errors. The PSOs would contribute such information to a national database, maintained by a national Center for Patient Safety created within the Federal Agency for Healthcare Research and Quality. PSOs would be required to maintain the confidentiality of information submitted, so that health care providers would not need to fear litigation based on submissions to PSOs. The Center for Patient Safety would be

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HHS Submits Psych PPS Report to Congress; Cites GNYHA's Work

Tommy G. Thompson, Secretary of the Department of Health and Human Services (HHS), has submitted to Nancy L. Johnson (R-CT), Chair of the Health Subcommittee of the Ways and Means Committee of the U.S. House of Representatives, a report outlining the development of a prospective payment system for inpatient psychiatric services (psych PPS) by the Centers for Medicare & Medicaid Services (CMS). The report to Congress was mandated in the Medicare, Medicaid, and SCHIP Balanced Budget Refinement Act of 1999, which had required that the report be submitted by October 1, 2001, and that the psych PPS take effect for cost-reporting periods beginning after October 1, 2002. Those deadlines were not met because CMS had difficulty developing a patient assessment instrument for inpatient psychiatric patients. CMS now plans to issue a proposed rule by March 1, 2003, and to implement the psych PPS in early 2004. Given CMS's difficulty in developing and validating a patient assessment instrument, the proposed rule will describe a payment methodology based on administrative data. The methodology will be a modification of a payment model presented to CMS by the American Psychiatric Association and developed by The Health Economics and Outcomes Research Institute (THEORI), a division of GNYHA. The THEORI study is in the members' area of GNYHA's Web site, www.gnyha.org. ■

Hospital Community Part of Ground Zero Honor Guard

GNYHA and several downtown hospitals were part of New York City's official "Honor Guard" at the September 11, 2002, Ground Zero ceremony marking the one-year anniversary of the terrorist attack on the World Trade Center. GNYHA President Kenneth E. Raske and Senior Vice President

and General Counsel Susan Waltman participated, as did representatives from the two hospitals closest to Ground Zero—Mark G. Ackermann, Senior Vice President and Chief Corporate Services Officer, St. Vincent's Hospital Manhattan, and Nga May Chung, R.N., NYU Downtown Hospital. ■

GNYHA Announces Quality and Patient Safety Agenda for 2002–03

As part of its commitment to patient safety and quality care, GNYHA has developed an aggressive agenda to help its members continue to provide safe, high-quality care. National organizations such as the National Quality Forum, the Leapfrog Group, Joint Commission on Accreditation of Healthcare Organizations (JCAHO), and the Institute of Medicine continue to develop report cards and define standards and measures of the quality of patient care and safety. In response to the multiple agendas on quality and patient safety priorities, GNYHA has formed a steering committee to identify strategies that will support its members and provide a forum for sharing information and initiatives to improve quality and patient safety. Some of GNYHA's planned programs for 2002–03 are described below.

Medical Malpractice Briefing Series: GNYHA is sponsoring a briefing series to proactively assist senior management, clinical staff, and other members of the health care team to improve quality and patient safety and to prevent and manage medical liability exposure. See "Upcoming GNYHA Briefings" on page 3 of this issue.

GNYHA Report on Hospital Report Cards: GNYHA will hold a one-day executive briefing that gives an overview of existing report cards, methodologies, the future of national report cards, and hospital strategies to improve performance on report cards.

Medication Safety Workgroup: In 2001, the workgroup developed and released a guide on eliminating the use of medical abbreviations. This year the workgroup will be developing guides for the safe administration of heparin and chemotherapy agents. Using failure modes and effects analysis, the guides will be a comprehensive resource that hospitals can adapt to their current policies and procedures. The products of the workgroup will be useful tools for meeting the JCAHO 2003 National Patient Safety goals.

Emergency Department Work Flow: GNYHA will be working on a regional collaborative with members to identify best practices and strategies to reduce wait time and improve patient cycle time in the emergency department. A multidisciplinary

workgroup has been formed, consisting of emergency department physicians and nurses, nursing executives, admitting department administrators, and finance and billing staff.

Nosocomial Infections: GNYHA is developing a workgroup to address nosocomial infection control protocols and identify educational programs to assist hospitals in reducing the rates of nosocomial infections.

Wrong-Site Surgery: GNYHA will continue to work with its members to develop and share best practices on avoiding wrong-site surgery, offer educational briefings related to quality and safety in the operating room, and provide support to hospitals on an ongoing basis to address this issue.

Six Sigma: "Six Sigma"—a method used in industry to improve operational efficiency, cost savings, and quality—has recently been adapted by health care professionals. GNYHA will host a briefing on Six Sigma and its practical applicability in the hospital setting, at which representatives from General Electric will describe the Six Sigma program and hospitals will present their experiences with its implementation.

Survey of Quality Initiatives: GNYHA is sending out a survey, developed in consultation with its quality steering committee, to identify the current quality improvement activities of hospitals in the region.

The information from the survey will be used to identify future quality and safety programs, and the aggregate data will assist GNYHA as it works with Leapfrog Group business members and responds to inquiries from the media in regard to hospital quality and safety programs.

Root Cause Analysis/Failure Modes, Effects, and Criticality Analysis Training: GNYHA will continue through the end of 2002 with its individualized, on-site training for its members on root cause analysis (RCA) and failure modes, effects, and criticality analysis (FMEA). The NYS Department of Health and the Joint Commission on Accreditation of Healthcare Organizations (JCAHO) require hospitals to conduct an RCA of serious, specified adverse occurrences (sentinel events), in order to understand and identify causes of the events and avoid their recurrence. The JCAHO recently added the requirement that hospitals develop programs for proactive risk identification and assessment to reduce adverse occurrences and thus must select one high-risk process for FMEA each year.

Individual program information will be sent separately to GNYHA members. For more information about GNYHA's quality and patient safety agenda, contact Terri A. Straub at GNYHA. ■

New York State Delays Medicaid Mandatory Generic Drug Program

GNYHA hosted an Executive Briefing on September 6, 2002, in which Linda Jones from the New York State Department of Health (DOH) Office of Medicaid Management provided an overview of the Mandatory Generic Drug Program and announced that the effective date for implementation has been delayed to November 17, 2002.

The Medicaid Mandatory Generic Drug Program excludes coverage of brand-name drugs in the Medicaid program when an A-rated generic equivalent is available. When the mandatory program becomes effective on November 17, 2002, practi-

tioners that prescribe a brand-name drug (where an A-rated generic exists) and write "DAW" in the dispense-as-written box on the prescription will be required to obtain a prior authorization.

During the executive briefing, hospital representatives cautioned DOH that greater outreach and communication regarding this program are needed. DOH will be working with GNYHA to more widely disseminate the materials related to the program including instructions on how to obtain required authorization.

For more information, please contact Lillian Forgacs at GNYHA. ■

OSHA Releases Nursing Home Ergonomics Guidelines

On August 30, 2002, in the *Federal Register*, the U.S. Occupational Safety and Health Administration (OSHA) announced the publication of draft ergonomics guidelines for voluntary use in nursing facilities. The guidelines are intended to provide a framework and practical solutions for facilities to reduce ergonomic-related injuries and illnesses in the nursing home setting. OSHA has specifically stated publicly that the guidelines—as distinguished from OSHA's enforcement programs—are voluntary and will not be used for enforcement purposes. The guidelines state that ergonomics, the practice of designing equipment and work tasks to conform to the capability of the worker, is an important preventive approach to reducing staff injuries and reducing workers' compensation costs. With the guidelines, OSHA intends to provide practical recommendations for employers to reduce workplace injuries by identifying, evaluating, and controlling hazards through best-practices methodologies. The structure of the guidelines consists of three areas: Management Practices, including the importance of management commitment and employee participation in ergonomics training, occupational management of musculoskeletal disorders, and program evaluation; Worksite Analysis, including issues related to resident handling tasks and other activities; and Control Methods, including resident handling and non-resident handling methods to control common ergonomic stressors. Although the voluntary guidelines are designed for nursing facilities, OSHA states that other health care providers may find the information useful. The draft guidelines are available on the OSHA Web site at www.osha.gov/ergonomics/guidelines.html. ■

Upcoming GNYHA Briefings

Beyond Risk Management: Enhancing Patient Safety and Minimizing the Risk of Medical Malpractice Claims

Program 1: Preventing and Managing Risks Associated with Neurologically Impaired Newborn Cases

Date: Tuesday, September 24, 2002

Time: 9:00 a.m.–12:30 p.m.

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

This briefing series will proactively assist senior management, clinical staff, and other members of the health care team to improve quality and patient safety and to prevent and manage medical liability exposure. The briefings will be tailored to specific clinical settings and will include a general program on communication and risk management from the perspective of a plaintiff's attorney. The first briefing will focus on reducing the potential for neurologically impaired newborn cases to the extent possible as well as minimizing hospital exposure when such cases do occur. The program will feature a malpractice defense attorney, a communications expert, and an obstetrician who handles high-risk maternity cases. GNYHA has requested 3.5 Continuing Medical Education (CME) credits for the program. For more information contact Terri Straub, and to register contact Cynthia Benchemmar, at GNYHA.

Entity Structuring Under HIPAA

Date: Tuesday, September 24, 2002

Time: 1:30 p.m.–4:00 p.m.

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

This briefing is intended to provide members with a better understanding of the implications of entity structure for compliance with the Health Insurance Portability and Accountability Act of 1996 (HIPAA). The program, which will be given by Donna A. Boswell, Esq. from Hogan & Hartson and Edward S. Kornreich, Esq. from Proskauer Rose, will specifically address organized health care arrangements, affiliated covered entities, and hybrid entities. For more information contact Susan Stuard, and to register contact Barbara Marino, at GNYHA.

Medicare Provider-Based Regulations

Date: Thursday, September 26, 2002

Time: 10:00 a.m.–12:00 noon

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

This executive briefing will provide a review of Medicare's final requirements regarding

provider-based status. Among other things, hospitals must confirm or establish that ambulatory care sites meet the provider-based requirements in order to bill under the Outpatient Prospective Payment System (OPPS) and otherwise be treated as facility-based, as opposed to freestanding, providers. The briefing will be given by Dennis Barry, Esq., of Vinson & Elkins, who is a nationally recognized expert on the subject. The briefing is open to GNYHA members only. For more information contact Patricia Wang, and to register contact Barbara Marino, at GNYHA.

Responding to Chemical and Nerve Gas Events

Date: September 30, 2002

Time: 9:30 a.m.–12:30 p.m.

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

This briefing is intended to help GNYHA members understand the types of potential chemical events that may occur in the future, and their possible impact on a hospital. The program will provide an overview of the clinical diagnosis of and treatment for each type of chemical release, in addition to the role of the hospital in decontaminating and treating victims, while at the same time protecting the staff and other patients from contamination. A scenario for a hospital drill for chemical events will be used to stimulate discussion and assist participants in identifying when to activate the Incident Command System, notifying outside authorities, and communicating with the public and the media during such events. For more information contact Terri Straub, and to register contact Cynthia Benchemmar, at GNYHA.

HIPAA Clearinghouse

Date: Tuesday, October 8, 2002

Time: 1:30 p.m.–3:30 p.m.

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

This member briefing will feature presentations from two clearinghouses—WebMD Envoy and NDC Health—on their HIPAA transaction set implementation plans and timelines. The discussion will include a review of changes to current software, HIPAA transaction support and business requirements, testing and implementation timelines, and transaction monitoring and reporting. For more information contact Ellen Lukens, and to register contact Barbara Marino, at GNYHA. ■

Deadline Approaching for HIPAA Compliance Extension

The October 15, 2002, deadline for filing a request for extension in implementing the Health Insurance Portability and Accountability Act (HIPAA) transaction set provisions is rapidly approaching. HIPAA contained provisions requiring health care providers and payers to adopt standard formats for electronic transactions (for example, claims). The initial deadline for compliance with these provi-

sions was October 16, 2002, but due to passage of the Administrative Simplification Compliance Act, entities may defer implementation to October 16, 2003, if they file a request with the Centers for Medicare and Medicaid Services by October 15, 2002.

GNYHA urges its members to complete the extension application. CMS estimates, to date, that only 3% of total eligible entities have applied. Organizations should note that

the extension will be granted on the basis of submission of a compliance plan. Requests for extensions can be filed electronically or on paper. GNYHA encourages members to file electronically via www.cms.gov/hipaa, where applicants will receive an online confirmation number. CMS will not acknowledge receipt of paper submissions.

If you have any questions, please contact Ellen Lukens at GNYHA. ■

Workers Face Higher Health Care Expenses, Reduced Coverage

Due to sharply rising health insurance premiums and a weak economy, workers are paying more this year for their job-based health coverage and facing cutbacks in the scope of their health benefits, according to a survey conducted by the Kaiser Family Foundation and the Health Research and Educational Trust. These trends are expected to continue into the foreseeable future, signaling an end to a brief period of increasing employer coverage and a concomitant drop in the number of uninsured Americans. The annual survey of employer health benefit plans, released on September 5, 2002, reveals that health insurance premiums rose by 12.7% over the last year—the largest one-year increase since 1990, and significantly above the 1.6% rate of general inflation during the same time period. Average annual premiums for job-based health benefits are now \$3,060 for single coverage and \$7,954 for family coverage. Increases in the cost of job-based coverage are being passed along to workers in the form of higher employee premiums (27% more this year for single coverage and 16% more for family coverage over last year), larger copayments and deductibles, and a lower level of health benefits. In addition, 9% of large firms (200 or more workers) eliminated retiree benefits for new hires or existing employees in the last two years. The survey results are reported in the September/October issue of *Health Affairs* and on the Kaiser Family Foundation Web site, at www.kff.org. ■

National Geographic Channel Airs GNYHA Video; ACHE E-mails Video to 22,000 Members

On September 11, 2002, the National Geographic Channel aired a 14-minute video produced by GNYHA about how several ordinary Americans from outside New York responded to the events of September 11, 2001. The National Geographic Channel, which is seen nationwide, ran the film several times over the course of the day.

Also on September 11, 2002, the American College of Healthcare Executives (ACHE) sent an e-mail link for the video to 22,000 ACHE members.

I Help New York: 3 Stories From America documents how individuals from Indiana, Alabama, and Oklahoma helped New York City following the September 11 attacks. The first story recounts how South Bend, Indiana resident Anna Reilly, along with friends and neighbors, donated a new ambulance to Cabrini Medical Center. Cabrini emergency medical technician Marc Sullins was killed and a Cabrini ambulance was damaged

beyond repair in the World Trade Center attacks. In the second story, seven-year-old Kaylee Moon, of Huntsville, Alabama, set up a lemonade stand to raise money to help New York City, and sent her tooth fairy money and 30 drawings to St. Vincent's Hospital Manhattan. The final story relates how members of the Iowa Tribe of Perkins, Oklahoma, drove across the country in a truck loaded with 50,000 teddy bears, which they delivered to employees and patients at NYU Downtown Hospital.

GNYHA produced the video to thank the thousands of people throughout the world who performed extraordinary acts of kindness and generosity toward New York in the wake of September 11. The video was originally shown on June 13 at GNYHA's Annual Reception, and a number of hospitals in New York and across the country have also shown it at a variety of events and memorials. The video can be seen via streaming video on the GNYHA Web site at www.gnyha.org. ■

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required to analyze the information submitted by PSOs and disseminate best-practice information and other data to the health care field so that providers could learn new ways to reduce medical errors. In addition, the Johnson bill would create a Federal advisory board that would make recommendations to enhance the interoperability of

health care information systems. At a Subcommittee hearing on the bill on September 10, 2002, Herbert Pardes, M.D., President and Chief Executive Officer of the New York-Presbyterian Healthcare System, testified in support of the interoperability provisions of the Johnson bill. GNYHA strongly supports Congresswoman Johnson's legislation. ■