



DECEMBER 9, 2002

Skyline news

REPORTING ON NEW YORK'S HEALTH CARE NEWS

Senator Schumer Fights Medicare Cuts

On December 4, 2002, U.S. Senator Charles E. Schumer (D-NY) held a press conference at the Beth Israel Medical Center in Manhattan to call upon President Bush and all members of Congress to support a bill that would provide relief for Medicare providers from new Medicare reimbursement rate cuts that went into effect on

October 1, 2002. These cuts include a cut in the Medicare indirect medical education (IME) adjustment, which will cost New York's teaching hospitals \$140 million annually if not repealed by Congress. "If hospitals are on life support today, how will they be able to handle a terrorist attack tomorrow?" Senator Schumer asked. "Our hospitals are in a major

budget crisis that needs to be addressed right away. Each day that Congress does not act to reverse Federal budget cuts, hospitals lose thousands of dollars. The economy is ailing, and we're facing unprecedented domestic security threats. Hospitals need this money to make sure they can protect this city from a terrorist attack. I can't think of a worse time to let these crucial funding sources for hospitals dry up."

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NYS and NYC Health Departments Issue Smallpox Preparedness Guidelines

The New York State Department of Health (NYSDOH) recently sent a number of guidelines and other materials to hospital chief executive officers throughout the State to assist them with preparing for bioterrorism in general and smallpox in particular. The New York City Department of Health and Mental Hygiene (NYCDOH), which collaborated with NYSDOH in developing a number of materials, joined with the State agency in transmitting a slightly modified version of the materials to hospitals in New York City. While the two packages are similar in many respects, the version for NYC takes into account the City's specific issues such as local reporting requirements and protocols that NYCDOH will follow with respect to smallpox planning.

Guidelines for Pre-event Vaccination of Health Care Workers: The materials anticipate the Federal government's pending

announcement of its plan to offer pre-event smallpox vaccination to approximately 500,000 health care and public health workers, and thus outline steps that hospitals will need to take to prepare for offering smallpox vaccine to workers within their institution. The steps include the identification of health care workers in certain job categories who would be willing to volunteer to be vaccinated and who would agree to be available to care for suspected or confirmed smallpox cases should they present. The categories suggested are those that would be needed to care for an initial small number of smallpox cases and include staff from the emergency department, infection control and employee health, the intensive care unit, consulting specialties, allied health, and appropriate support departments. The guidelines also recommend identifying staff who would participate in overseeing the program including post-vaccine

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Senator Clinton Supports Medicaid Proposal

On November 21, 2002, in order to bolster support for a proposal to increase Federal funding for the Medicaid program, U.S. Senator Hillary Rodham Clinton (D-NY) released a report that chronicled the increased Medicaid spending by New York counties because of the struggling economy. "Medicaid has become the single largest appropriation in many New York county budgets," Senator Clinton said. "With a struggling economy and a decrease in revenues, many local governments have been forced to either increase taxes or cut services—or do both—in order to balance their budgets." As a way to help counties and the New York State government afford increased

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On December 2, 2002, GNYHA President Kenneth E. Raske; O. Wayne Isom, M.D., Chairman, Terry Allen Kramer Professor of Cardiothoracic Surgery, NewYork-Presbyterian Hospital Weill Cornell Medical Center; and William A. Polf, Ph.D. (not pictured), Senior Vice President, External Relations, NewYork-Presbyterian Hospital, met with HHS Secretary Tommy Thompson and other HHS officials to discuss the impact of the IME cuts on teaching hospitals. Left to right: Mary Kay Mantho, Senior Advisor to the Secretary; Secretary Thompson; Kenneth E. Raske; Leslie V. Norwalk, Esq., Policy Director and Counselor to the Administrator, CMS; Dr. Isom.

IN MEMORIAM

GNYHA mourns the passing of **Jacob "Jack" Bigel**, an influential consultant who worked with many health care labor unions and other health care entities. Mr. Bigel also helped save the City of New York from fiscal crisis in the 1970s by persuading New York's public-employee unions to invest their pension funds in City bonds. Mr. Bigel died on November 28, 2002, at the age of 89. ■

Senator Clinton Supports Medicaid Proposal *continued from page 1*

Medicaid spending during the economic downturn, Senator Clinton has cosponsored legislation that would increase the Federal share of Medicaid spending in each state by 1.35 percentage points over an 18-month period. Under current law, the Federal government covers 50% of Medicaid spending in New York State. This proposal would increase the Federal share for New York to 51.35%, providing approximately \$550 million in new Federal Medicaid funds. "This is a serious problem, but there is a national solution that can help solve it," Senator Clinton stated. "By raising the Federal contribu-

tion to New York's Medicaid program, we can guarantee that local governments receive the assistance they need so that they do not have to raise taxes, cut services, and pass this burden on to hard-working New Yorkers." The U.S. Senate passed Senator Clinton's proposal earlier this year; however, the House has not voted on this proposal. In the House, the proposal is sponsored by Congressman Peter King (R-NY). GNYHA strongly supports this proposal, and will be working with Senator Clinton, Congressman King, and the entire New York delegation to try to enact it early in 2003. ■

Discount Offered to GNYHA Members for Claredi HIPAA Certification Services

GNYHA is pleased to announce a 33% discount to its members for Claredi HIPAA certification services. HIPAA—the Health Insurance Portability and Accountability Act of 1996—contained provisions requiring payers and providers to conduct electronic transactions, such as claims, in a standard format. Claredi helps providers comply with these HIPAA requirements by providing a service that tests providers' HIPAA transactions and identifies any errors. The provider then has the opportunity to correct any errors or resolve outstanding issues before exchanging claims, or other transactions, with payers.

GNYHA believes that Claredi represents a useful tool in helping providers achieve HIPAA compliance. The Claredi subscription, which allows for unlimited testing, costs \$1,200 per year regularly, with an additional cost of \$400 for each additional entity or system. GNYHA has negotiated a discounted price for its members of \$800 per year for an annual subscription (plus the usual \$400 per each additional entity). In order to receive this discount, GNYHA must have the commitment of 50 participants.

If you have any questions or would like more information on Claredi, please contact Ellen Lukens at GNYHA. ■

GNYHA Hospital Members Briefed on New Referral Process for Homeless Patients

On December 2, 2002, at a GNYHA briefing, representatives from the NYC Department of Homeless Services (DHS) described upcoming changes in the referral process for hospitalized, single adult patients wishing to return to or enter the NYC homeless shelter system. The briefing was attended by 120 hospital representatives. While acknowledging the special needs of the homeless population, hospital staff shared their concerns that once admitted to the hospital, homeless patients seemed to remain there well beyond the time spent by other patients as a result of DHS's complicated process for authorizing return to a shelter setting. The DHS representatives gave a detailed overview of the referral process and introduced a form to be used for referring patients to the NYC shelter system that they believe will decrease the time between referral and placement. They also described the role of PSCH, Inc., an outside vendor newly contracted by DHS, which as of December 16, 2002, will assume the responsibilities of the Medical Review Team for the purpose of evaluating referral form information to determine a patient's medical appropriateness for shelter placement. GNYHA will continue to work closely with its membership and DHS to ensure that homeless patients' needs are met for timely post-hospital placement. ■

SHRPC Approves Member Projects and Discusses Regulations

At its December 5, 2002, meeting, the State Hospital Review and Planning Council (SHRPC) gave contingent approval to the following GNYHA member projects: Brookdale University Hospital Medical Center, conversion of six of its 10 acute renal dialysis stations to chronic renal dialysis stations; North Shore Long Island Jewish Health System—Long Island Jewish Medical Center, replacement of its Hillside Hospital's inpatient psychiatric facility to include child, adolescent, and geriatric inpatient programs; Nassau University Medical Center, conversion of 13 medical/surgical beds to 13 child/adolescent beds; United Odd Fellow and Rebekah Home, approval for the construction of a replacement facility and the addition of two respite program beds; Workmen's Circle Multicare Center, major construction project to modernize the facility and improve patient services; Hebrew Home for the Aged at Riverdale, approval to expand the catchment area of its long term home health care program to include Westchester County and to increase its capacity by 30 registrants; Metropolitan Jewish Home Care, Inc., approval to be established as the operator of the certified home health agency currently operated by New York-Presbyterian Hospital.

Part-time Clinic Regulations: SHRPC also discussed a draft of regulations relating to the approval process and permissible locations for part-time clinics. When the regulations are adopted, they will replace the current emergency regulations. If you would like a copy of the current draft of the regulations, please contact Doris R. Varlese at GNYHA.

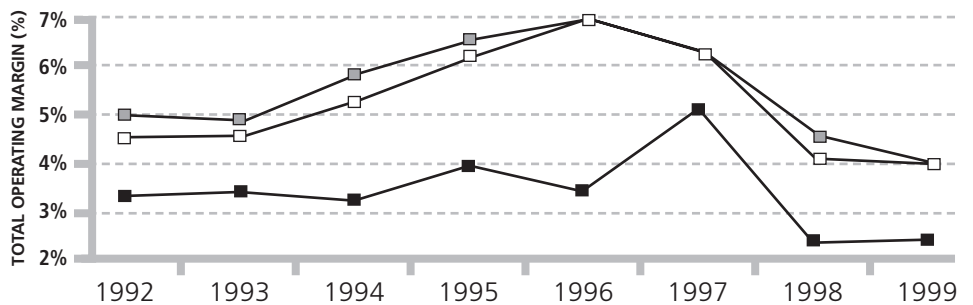
Nursing Home Bed Need Methodology: SHRPC also discussed draft regulations that would update the nursing home bed need methodology. ■

Senator Schumer Fights Medicare Cuts *continued from page 1*

The bipartisan legislation Senator Schumer supports would stop the IME cut for two years; lessen the inpatient market basket update cut under current law; provide a three-year phase-out of the skilled nursing facility prospective payment rate add-on for nursing costs that expired on October 1, 2002; and repeal the 15% cut to home health rates, which also took effect on October 1. Senator Schumer said that he would work with his colleagues to pass this legislation when the new 108th Congress begins its work in early

January. The press conference, which was hosted by Peter A. Kelly, President and Chief Executive Officer of Continuum Health Partners, was the last in a number of similar press conferences Senator Schumer has held around New York State in the last month to draw attention to the need to pass Medicare and Medicaid legislation. GNYHA will be working with Senator Schumer and the rest of the New York Congressional Delegation to try to ensure that legislation to reverse the cuts is enacted soon. ■

Despite IME funding, teaching hospitals' margins are worst in U.S.



NOTE: In 1996 and 1999, "other teaching" and "non-teaching" margins were identical; in 1997, they differed by 0.1.

SOURCE: Medicare Payment Advisory Commission (MedPAC).

CMS Action Paves Way for Release of Nursing Home Workforce Payments

On November 12, 2002, the Centers for Medicare & Medicaid Services (CMS) approved a Medicaid State Plan Amendment authorizing New York State to release \$61 million in new funding to assist nursing homes with the recruitment and retention of health care workers in 2002. These payments represent the first installment from the three-year, \$288 million nursing home Workforce Recruitment and Retention fund, authorized under the Health Care Workforce Recruitment and Retention Act of 2002. According to the New York State Department of Health, for non-public facilities these new funds will first appear as a retroactive payment (retroactive to April 1, 2002) in the Medicaid rates issued on December 18, 2002, with future rates adjusted to incorporate the new funding on a prospective basis. For public facilities, the new funds

will be issued as grants. According to DOH, it is expected that these grants will be issued in December 2002. As specified by law, payment amounts under the Workforce Recruitment and Retention fund will be determined by formula, based on each facility's ratio of reported 1999 wages and fringe benefits to the 1999 statewide total amount of nursing home wages and fringe benefits. A separate State Plan Amendment was approved by CMS on September 16, 2002, authorizing the State to promulgate adjusted Medicaid rates in connection with the \$187 million nursing home Quality Improvement Demonstration program. DOH is expected to announce award amounts—determined through a competitive grant process under this program—in the near future. Once these awards are announced, Medicaid rates will be adjusted accordingly, retroactive to April 1, 2002. ■

surveillance for vaccine takes and adverse events and administering the requisite vaccine site monitoring program to avoid transmission of the vaccine to others. In general, the steps track the October 17, 2002, guidelines put forward by the Centers for Disease Control and Prevention's Advisory Committee on Immunization Practices (ACIP), which discuss the process to be followed for identifying personnel, contraindications for vaccination, the need for each hospital to offer a vaccination site monitoring program, and the conclusion that administrative leave is not routinely required for vaccinated health care workers. The design of this initial phase of pre-event vaccination of health care workers is to ensure the availability of a core team of health care workers in each hospital who could provide medical care for the first few smallpox patients who might present to an institution. Phase Two of pre-event vaccination is expected to include up to 10 million health care workers and first-responders. The ACIP guidelines are available at www.gnyha.org, GNYHA's Web site.

Management of Suspected Smallpox Cases: The materials also include the final version of guidelines for the management of suspected cases of smallpox in acute care hospitals, which were developed to help hospitals plan in advance for responding to a possible case of smallpox. The guidelines contain recommended elements of an effective emergency response plan, including general protocols to quickly identify and isolate patients presenting with fever and rash and specific plans for smallpox; information on how to recognize and manage suspected cases, including training of personnel; and protocols for patient management, including requiring that patients be kept in an airborne infection isolation room if available and appropriate worker protections. Finally, the guidelines include recommendations for identifying, tracking, and managing potential contacts; coordinating communications; and security. The guidelines were described in detail in GNYHA's November 11, 2002, issue of *Skyline News*.

Training Sessions on Smallpox Preparedness: In order to help GNYHA members

prepare for the anticipated implementation of the pre-event vaccination program, GNYHA will be hosting three training sessions that will be offered by the NYCDOH and NYSDOH on the following dates: 1) Thursday, December 12, 2002, from 9:00 a.m. to 12:00 noon; 2) Thursday, December 12, 2002, from 2:00 p.m. to 5:00 p.m.; and 3) Friday, December 13, 2002, from 9:00 a.m. to 12:00 noon. All sessions are the same and all will be offered at GNYHA. The sessions

will be tailored to how NYCDOH plans to administer the pre-event vaccine program in New York City hospitals. NYCDOH recommends that up to three people from each hospital's planning team attend at least one of the sessions. However, to the extent that space permits, representatives of GNYHA member hospitals outside NYC are welcome to attend as well. To register, please send an e-mail message to Barbara Marino at GNYHA at marino@gnyha.org. ■

Upcoming GNYHA Briefings

GNYHA HIPAA Transaction Set Workgroup Meeting

Date: Thursday, December 12, 2002

Time: 9:30 a.m.–12:30 p.m.

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

This Health Insurance Portability and Accountability Act (HIPAA) Workgroup meeting will include two presentations from the New York State Department of Health (DOH). John Bock, HIPAA consultant to DOH, will lead a discussion of provider implementation strategies, including the importance of training and the role of the clearinghouse. Robert Davis, Director, SPARCS Bureau, will review HIPAA-related changes to the Statewide Planning and Research Cooperative System (SPARCS). The briefing will also include a review of GNYHA's meeting with the Centers for Medicare & Medicaid Services and a discussion with regional payers on HIPAA implementation and testing timelines. For more information contact Ellen Lukens, and to register contact Theresa Simon, at GNYHA.

Committee on Physicians' Health and State Office of Professional Medical Conduct

Date: Wednesday, December 18, 2002

Time: 10:30 a.m.–12:30 p.m.

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

GNYHA is hosting a briefing with the Committee for Physicians' Health (CPH) of the Medical Society of the State of New York (MSSNY) and the New York State Office of Professional Medical Conduct (OPMC) regarding the programs and services available from CPH. Terrance M. Bedient, Director of CPH; Donald R. Moy, General Counsel of the Medical Society; and Joanne Dawson of OPMC will participate in the briefing. The participants will discuss how referrals are

made to CPH, the confidentiality protections provided for referral sources and CPH records, and how New York State's professional misconduct reporting requirements differ from referrals made to CPH. For more information contact Tim Johnson or Lorraine Ryan, and to register contact Jennefer Vicioso, at GNYHA.

Report on Hospital Report Cards

Long Island Briefing:

Date: Wednesday, December 18, 2002

Time: 9:00 a.m.–12:00 noon

Location: St. Francis De Matteis Center, Northern Boulevard, Old Brookville, NY

Manhattan Briefing:

Date: Friday, December 20, 2002

Time: 9:30 a.m.–12:30 p.m.

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

As national organizations such as the National Quality Forum, the Leapfrog Group, Joint Commission on Accreditation of Healthcare Organizations, and the Centers for Medicare & Medicaid Services define and develop standards and measures of quality, hospitals face the challenge of responding to a new era of public performance report cards. This briefing will include an overview of the measures—and methodologies for computing the measures—that are and will be used by existing report cards and anticipated report cards, as well as strategies to improve hospital-specific performance, the public relations perspective, and the anticipated effect of consumer-based health care purchasing in response to report cards. *Please note that the date for the New York City briefing was originally announced as November 15, 2002; it has been changed to December 20.* For more information contact Terri Straub, and to register contact Barbara Marino, at GNYHA. ■