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Skyline news

REPORTING ON NEW YORK'S HEALTH CARE NEWS

President Bush Announces Pre-Event Smallpox Vaccination Plan

On December 13, 2002, President Bush announced the Federal plan to offer pre-event smallpox vaccinations to approximately 500,000 health care and public health workers as well as 500,000 military and civilian personnel who may be deployed in high-threat areas. The purpose of the plan, which is expected to begin in late January or early February 2003, is to ensure that acute care hospitals across the country have a certain number of pre-vaccinated staff available

and ready to care for approximately one to five smallpox patients each should a case ever present to them in the future. The health care workers, who will form Smallpox Response Teams, would be called upon to participate in the care of any initial smallpox patients until the Federal government implements its post-event vaccination plan, which anticipates the mass vaccination of health care workers and the general public if needed. The theory behind offering vaccine to a team in each hos-

pital is that it is impossible to know where a smallpox case might present and thus all hospitals should have the ability to respond to such a situation. The President's plan assumes that only licensed vaccine will be administered and that participation in the program is voluntary both for individuals and for hospitals. Phase Two of the plan calls for up to 10 million health care workers and first responders to be offered the vaccine, a phase that is

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GNYHA Board Meets

The GNYHA Board of Governors met on December 19, 2002, and took the following actions:

- approved the 2003 budget for GNYHA and its subsidiaries and affiliates, based on the recommendation of the GNYHA Budget Committee and GNYHA Executive Committee;
- heard a report on GNYHA's efforts to assist members in implementing local, State, and Federal smallpox preparedness plans;
- discussed a number of issues with Centers for Medicare & Medicaid Services (CMS) Administrator Tom Scully, including the Bush Administration's health care agenda for the upcoming Congressional session, Medicare cost outliers, medical malpractice, Medicare indirect medical education cuts, nursing home add-on cuts, CMS's hospital and nursing home quality initiatives, the uninsured, Medicaid eligibility for immigrants, the Medicaid Federal Matching Assistance Program, and wage index issues; and
- was briefed on the latest Bad Debt and Charity Care pool payments to New York hospitals.

CMS Administrator Tom Scully attended the GNYHA Board meeting on December 19. From left to right (foreground) are Paul Rosenfeld, President of Continuing Care, Saint Vincent Catholic Medical Centers; Herbert Pardes, M.D., President and CEO, New York-Presbyterian Hospital; Kenneth Raske, President, GNYHA; Mr. Scully; and Edward Stolzenberg, President and CEO, Westchester Medical Center.



MedPAC Considers New Hospital Cuts

At the December 13, 2002, meeting of the Medicare Payment Advisory Commission (MedPAC), staff presented several proposals for the commissioners to consider for the March 2003 *Report to Congress*. The commissioners will vote on the proposals at the January 15–16 meeting. Several proposals would cut fiscal year (FY) 2004 payments to hospitals, particularly in the New York City area. While MedPAC is only an advisory body, GNYHA will nonetheless file an extensive objection to the staff proposals, which include:

- **Indirect medical education (IME):** According to MedPAC staff, the empirical level of the

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GNYHA Ventures Forms Strategic Alliance with InSiteOne

GNYHA Ventures, Inc., recently announced a strategic alliance with InSiteOne, Inc., a leading provider of Web-enabled on-site and off-site digital imaging storage and archiving services. Through this alliance, member institutions will have access to InSiteOne's array of cost-effective medical image storage, archiving, and distribution technology services. InSiteOne has developed a Web-

enabled archiving solution that is designed to integrate with any Picture Archiving and Communication System component and optimize the storage and archiving of medical images for health care facilities that are making the transition to filmless digital imaging.

Storing digital medical images for health care institutions is both costly and complex because of operational and regulatory factors. InSiteOne's archiving solution allows hospitals to use digital imaging technologies while reducing upfront capital costs for equipment maintenance, storage, and personnel. InSiteOne also offers on-

site storage and long-term off-site storage, allowing health care institutions to meet the requirements for the Health Insurance Portability and Accountability Act of 1996 as well as support their business continuity efforts. InSiteOne provides health care institutions with a unique, cost-effective service that delivers short-term and long-term access to digital medical images, enabling institutions to improve operational efficiencies and provide better service to patients and referring physicians.

For more information about InSiteOne's archiving solutions, please contact Kim Rosenstock at GNYHA. ■

Upcoming GNYHA Briefings

Communications Systems

Date: Wednesday, January 8, 2003

Time: 10:00 a.m.–12:00 noon

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

At this briefing, representatives from the New York City Office of Emergency Management (OEM) will present information regarding OEM's 800 Mhz radio system. A representative from Nextel Communications will also present information on Nextel's systems. Information regarding HAM radio operations will also be presented. For more information contact Doris R. Varlese, and to register contact Barbara Marino, at GNYHA.

Emergency Management Drills

Date: Tuesday, February 4, 2003

Time: 8:45 a.m.–4:30 p.m.

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

This workshop is intended to assist GNYHA members in undertaking effective emergency management drills. The workshop should be attended by staff from GNYHA member institutions who are in charge of conducting emergency management drills. It will be a repeat of the September workshop with slight modifications. The morning will consist of presentations by representatives of GNYHA member institutions and the New York City Office of Emergency Management (OEM), and the afternoon will consist of small group sessions facilitated by GNYHA members and OEM representatives. The content of the workshop is tailored specifically to health care facilities. GNYHA is applying for continuing medical education credits for the workshop. For more information contact Doris R. Varlese, and to register contact Barbara Marino, at GNYHA. ■

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expected to begin as early as May or June 2003. Vaccination of the general public would then follow, possibly in early 2004.

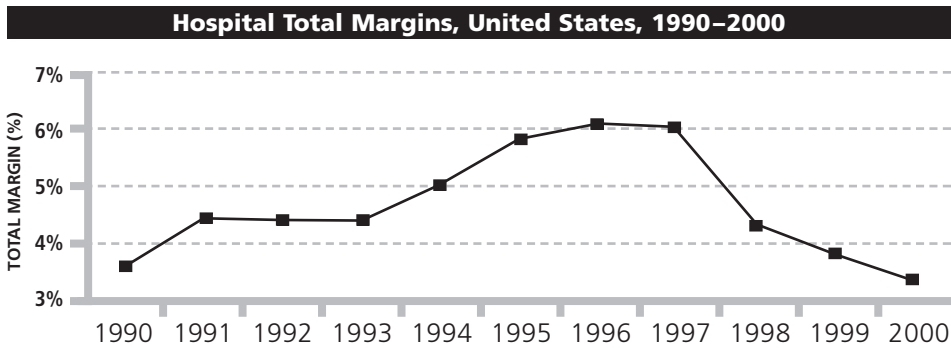
New York State Implementation of Plan:

Both the New York State Department of Health (DOH) and the New York City Department of Health and Mental Hygiene (DOHMH) have been preparing for quite some time for the announcement of the President's plan and have submitted proposed plans to the Centers for Disease Control and Prevention (CDC) about how they intend to implement it in New York State and New York City. In general, the local plans would call for offering the vaccine to approximately 100 to 200 individuals from each hospital and recommend that workers in certain areas who might be called upon to care for smallpox patients be included, such as emergency room staff, intensive care staff, infection control professionals, and other support staff. The plans follow the guidelines put forward by the CDC's Advisory Committee on Immunization Practices in October 2002, which address the issues of contraindications for offering the vaccine, the need for vaccination site care programs in each hospital to prevent transmission of the live vaccine, and the importance of monitoring for vaccine "takes" and side-effects. Both DOH and DOHMH sent letters to hospital chief executive officers in

November 2002 outlining the preliminary steps hospitals could take to prepare for developing smallpox response plans. In addition, on December 12 and 13, 2002, GNYHA hosted three training sessions given by DOHMH to review how the plan would be implemented in New York City hospitals. DOH, DOHMH, and local health departments throughout the State will be meeting with providers to offer assistance in implementing the plan.

Guidelines for Management of Suspected Smallpox Cases:

DOH and DOHMH also collaborated on the development of guidelines for the management of suspected cases of smallpox, which outline planning that hospitals should undertake to prepare for bioterrorism in general and smallpox in particular, whether or not their staff is vaccinated. The guidelines call for hospitals to develop protocols to quickly identify and isolate patients presenting with fever and rash, and specific plans for smallpox, including the requirement that patients be kept in airborne infection isolation rooms, if available, and appropriate worker protections. The guidelines were distributed to hospital chief executive officers as part of the November mailing by the two departments. Copies of the two letters and their enclosures are available on GNYHA's Web site at www.gnyha.org. ■



SOURCE: Medicare Payment Advisory Commission.

IME adjustment based on 1999 costs is 2.7% per 10% increment in the ratio of interns and residents to beds. The adjustment that took effect on October 1, 2002, is 5.5%, which represents a 15% cut from the prior year's level. That cut reduced payments to teaching hospitals by \$800 million nationally and by \$141 million in New York State. The MedPAC re-estimate of 2.7% is incorrect and too low because of problems with the regression model. Regardless, during a discussion at the December meeting, most MedPAC commissioners opposed any further cut in the IME adjustment because it is a critical support to the nation's academic medical infrastructure,

which is very fragile in certain areas of the country such as New York.

• **Hospital update:** Staff reported that the current estimate for the FY 2004 hospital market basket update is 3.3%, and proposed that MedPAC consider a 0.5 percentage point increase for technological change and a 0.9 percentage point decrease for productivity, which would result in a net 0.4 percentage point decrease in the inpatient update. For the outpatient update, staff proposed the 0.9 percentage point decrease only because an amount for technological change is already built into the outpatient PPS. Staff made these proposals while noting that the total margin

for the nation's hospitals fell to 3.4% in 2000, the lowest level since prior to 1990 (see chart).

• **Hospital discharges to post-acute care:** Staff proposed that MedPAC recommend expanding the policy of treating discharges to post-acute care as transfer cases to all diagnosis related groups (DRGs). The policy currently pertains to discharges in 10 DRGs only. Transfer cases with a length of stay that is less than the geometric mean length of stay for the DRG, plus one day, receive fewer payments than the full DRG amount.

• **Labor share of the standardized amount:** In the context of making proposals to increase payments to rural hospitals, staff reiterated a recommendation that the Centers for Medicare & Medicaid Services consider a reduction on the labor share of the standardized amount, which would redistribute payments from hospitals with high-wage indices to hospitals with low-wage indices. ■

Happy Holidays from GNYHA

The staff at GNYHA would like to wish all our members a very happy holiday season and a joyful new year. The next issue of *Skyline News* will run on January 13, 2003. ■

GNYHA Briefs Members on Hospital Report Cards

On December 18 and 20, 2002, GNYHA held briefings in NYC and on Long Island on hospital report cards. Patricia Wang, GNYHA's Senior VP for Finance and Managed Care, described the importance of information about hospital quality to the ultimate goal of emerging consumer-driven health insurance models, which would place greater financial responsibility for health care utilization decisions in the hands of consumers. Private employer interest in consumer-driven, or defined benefit, models is strong, and the success of such models will rely on greater transparency in the cost, quality, patient satisfaction, and other aspects of available health care. Mary Johnson, GNYHA's Senior VP for Public Affairs and Communication, discussed the variety of groups and motivations that are driving the trend toward public report cards; the variety of report cards as well as their sponsors, busi-

nesses models, and methodologies; the pros and cons of the report cards trend; two recent studies about whether consumers are using report cards; and key issues concerning talking to the public and to the press about quality and report cards. Terri Straub, GNYHA's VP for Quality and Patient Safety, discussed national and NYS initiatives. NYS, Arizona, and Maryland have been selected by the Centers for Medicare & Medicaid Services to lead a pilot project on hospital public reporting. IPRO will be soliciting hospitals to participate in the pilot, and hospitals will have the opportunity to voluntarily report on a set of 10 measures for three core clinical topics and a patient experience survey. The American Hospital Association and other groups recently announced a voluntary public reporting initiative. Hospitals will be requested to voluntarily report data on core measures; these measures will be the same as the 10 measures identified

for the pilot project. Finally, Karen Heller, Senior VP and Executive Director of The Health Economics and Outcomes Research Institute at GNYHA, presented an original study of in-hospital mortality rates for patients having coronary artery bypass graft, which showed that different combinations of administrative databases, case editing rules, and risk-adjustment methodologies produce inconsistent probabilities of death for individual patients and inconsistent rankings for hospitals. Furthermore, when risk-adjustment models properly exclude complications, which are conditions that arise in the hospitals, they offer little explanation of the variation in mortality rates. Ms. Heller thus concluded that the emphasis of government agencies on process measures was appropriate, and she offered a set of best-practice guidelines for purveyors of report cards featuring risk-adjusted outcome measures. ■

GNYHA Hosts Nursing Home Culture Change Symposium

On December 17, GNYHA's Center for Continuing Care hosted a conference on culture change in nursing facilities for teams dedicated to Alzheimer's care. Held in cooperation with the NYC Chapter of the Alzheimer's Association and the NYS Department of Health, the symposium focused on understanding perceptions of Alzheimer's disease and providing innovative approaches to care for residents in nursing facilities. Thad Raushi, Ph.D., an Alzheimer's survivor with the Northeast New York Chapter of the Alzheimer's Association, shared his experiences about living with the disease. Kimberly Van Haitmsa, Ph.D., Senior Research Scientist from the Polisher Research

Institute in Philadelphia, briefed participants about innovative clinical interventions for Alzheimer's care. Robyn I. Stone, Dr.Ph.H., Executive Director of the Institute for the Future of Aging Services in Washington, D.C., analyzed managerial approaches to implementing and evaluating culture change programs nationwide. The speakers and participants celebrated the dedicated work of the staff who care for the Alzheimer's population at the 30 nursing facilities in attendance and took part in a discussion with Tony Yang-Lewis, M.S., Administrator of Cobble Hill Health Center, and Pat Tomasso, Ph.D., a geropsychologist, regarding Alzheimer's in the media. Copies of the presentations by Dr. Van Haitmsa and Dr. Stone are available on the GNYHA Web site at www.gnyha.org. ■

COGME Hears Presentations on Resident Licensure Proposal and Working Hours

The NYS Council on Graduate Medical Education (COGME) held its plenary session on December 16, at which Council members heard a presentation by Thomas J. Monahan, Executive Secretary of the NYS Board for Medicine, on a proposal to require New York residency trainees to obtain a limited permit from the State Education Department prior to completing the first year of postgraduate training. According to Mr. Monahan, this additional requirement would help to ensure that residents are credentialed through a standardized system and would be more clearly subject to the professional disciplinary process, although the State Office of Professional Medical Conduct already has jurisdiction over these individuals. Following Mr. Monahan's remarks, COGME members indicated that they would review the issue and make a recommendation to the State Education Department. COGME also heard reports from its subcommittee chairpersons

on issues related to the definition of under-represented minorities in medicine and potential new components of the Designated Priority Program. COGME also heard a report from NYS Department of Health staff on the findings from the first year of resident working hours surveys conducted by IPRO, the State's third-party contractor. A full report on the first year of surveys should be available in mid-January 2003. Preliminary results indicate that 64% of IPRO's hospital visits found some noncompliance.

GME Incentive Pool Awards: COGME staff also reported on the Year 5 awards of the State GME incentive pool, which provides \$31 million in funding to teaching hospitals and GME consortia for progress toward or achievement of State GME policy goals. According to COGME, 96 hospitals, including 23 hospitals in four GME consortia, received funding for Year 5, which generally covered the residency program year July 2001 to June 2002. As part of the incentive pool program, 42 hospitals submitted 128 separate projects for consideration for funding within the Empire Clinical Research Investigator Program, which was incorporated into the overall incentive pool program this year as a way to stimulate the creation of additional clinical researchers in New York. Sixty-nine clinical research positions at 31 hospitals were selected for funding. ■

Magnet Recognition Program Emphasizes Nursing Excellence

As part of GNYHA's ongoing efforts to assist members with nursing recruitment and retention, GNYHA held a briefing on the Magnet Recognition Program on December 10, 2002. Kammie Monarch from the American Nurses Credentialing Center in Washington, D.C., provided participants with the details and process of obtaining Magnet Recognition status. The Magnet Recognition Program identifies hospitals that demonstrate nursing excellence. Achieving Magnet status has been shown to assist hospitals in recruitment and retention of nurses. As part of the Magnet Recognition philosophy, hospitals that apply for Magnet status need full commitment from senior management, the nursing staff, and physicians. Program success is achieved by inviting the nursing staff to work collaboratively in interdisciplinary practice, including nursing in all critical decision-making programs, and giving nursing staff the autonomy to manage and provide safe, high-quality care. Nursing executives from North Shore-Long Island Jewish Health System, Robert Wood Johnson University Hospital, Hackensack University Medical Center, and Hospital for Special Surgery all shared their unique perspective on the positive impact Magnet Recognition has made on their nursing staff. This includes improved ability to recruit nursing staff, vacancy rates far below the state average, and shared accountability for patient outcomes.

Magnet Recognition requires a strong foundation and years of preparation to achieve. The speakers highlighted that the effort is invaluable, and emphasized that the philosophy and best practices of Magnet Recognition should be adopted regardless of a hospital's decision to apply for Magnet status. At the request of the participants, GNYHA has invited Kammie Monarch to return to GNYHA to speak in March on the details of interpreting Magnet Recognition standards and to identify additional best practices. The March session will also provide updates to the process and additional information for long term care applications for Magnet Recognition. ■