



APRIL 2, 2001

Skyline news

REPORTING ON NEW YORK'S HEALTH CARE NEWS

New York State Assembly Proposes Investments in Health Care

On March 19, the NYS Assembly and Senate released their budget resolutions for the State fiscal year beginning on April 1. GNYHA is grateful for the Assembly's response to GNYHA members.

Hospitals: The Assembly proposes increasing State spending for hospitals by \$50 million to help them deal with significant financial challenges in the coming fiscal year, including expiring labor contracts and workforce shortages. While the Assembly did not vote on a specific mechanism for distributing the funds, GNYHA has been advocating for increased

Medicaid reimbursements, which would increase the amount available to hospitals due to the matching Federal funds Medicaid would provide. In addition, Medicaid rate increases, including an increase in outpatient rates, would provide the most benefit to downstate hospitals. The Assembly also included new funds for public hospitals through new intergovernmental transfers (IGTs), which would also help the State by drawing down new Federal funding. GNYHA strongly supports the Assembly's IGT provisions. The Senate, by contrast, would increase

the State's capital restructuring pool by \$20 million to provide NYS with more flexibility to deal with financially troubled institutions. This proposal was a part of GNYHA's State agenda for the year. In addition, the Senate would provide \$10 million for college loan forgiveness for nurses, another priority.

Continuing Care: GNYHA is grateful to the Assembly for responding to the GNYHA and 1199/SEIU Healthcare Education Project campaign for new funding for nursing homes

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GNYHA 2001 Annual Meeting Set for April 18

The GNYHA 2001 Annual Meeting will be held on April 18, 2001, at the Sheraton New York Hotel in Manhattan, on Seventh Avenue between 52nd and 53rd Streets, from 8:00 a.m. until 12:00 noon.

Program: Following a breakfast and annual business meeting, during which the membership will elect new officers and Board members for the coming year, the opening session will begin with a Keynote Address by U.S. Senator Charles E. Schumer. The keynote session will be followed by "Albany Outlook," which will feature comments by Neil D. Levin, Superintendent, NYS Department of Insurance, and Antonia C. Novello, M.D., M.P.H., Commissioner, NYS Department of Health.

The opening session will be followed by a special panel discussion entitled "Quality Issues in Health Care," moderated by Tracy Miller, Esq., GNYHA's Vice President for Quality and Regulatory Affairs. The panel's speakers—leading national experts who have played a significant role in shaping the agenda of policymakers, purchasers, and consumers on health care quality—are Janet Corrigan, Director of the Institute of Medicine's (IOM's) Quality of Health Care in America Project; David J. Lansky, Ph.D., President, The Foundation for Accountability; and Robert S. Galvin, M.D., Director of Global Health Care at General Electric. They will discuss topics

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House, Senate Leaders Mixed on BBA Relief

Key Congressional health care policymakers have taken different positions on the likelihood that Congress will enact a law this year to provide relief from the remaining Medicare cuts mandated by the Balanced Budget Act of 1997 (BBA). At several hearings and forums in the last two weeks, Congresswoman Nancy Johnson (R-CT), the Chairperson of the House Ways and Means Health Subcommittee, which has jurisdiction over the Medicare Part A program, expressed concern that the remaining cuts would hurt many health care providers, and that Congress would need to take another look at the BBA this year. By contrast, in a letter dated March 21, 2001, sent to the Chairman and Ranking Member of the Senate Budget Com-

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Hospitals Press for Data Update for Medicaid Payment

At a March 22, 2001, meeting of the State Hospital Review and Planning Council's (SHRPC's) Fiscal Policy Committee, GNYHA and the Healthcare Association of New York State continued to press the New York State Department of Health (DOH) to employ more current data in its calculation of Medicaid payment rates. The associations argued that the use of almost decade-old data unfairly penalizes hospitals that have reduced lengths of stay over the years, by inappropriately classifying many cases as so-called short-stay outliers, which receive lower payment. Fiscal Policy Committee members expressed concern to DOH that its internal analysis of the proposed changes be completed as soon as possible since retroactive adjustments are unlikely. The hospital groups plan to continue to press their case with DOH and SHRPC. ■

HCRA 2000 GME Incentive Pool Survey Delayed

The New York State Department of Health (DOH) survey that hospitals must complete in order to receive funding from the graduate medical education (GME) incentive pool will not be released before June 2001. The GME incentive pool program was originally authorized in the Health Care Reform Act (HCRA) of 1996 and reauthorized in HCRA 2000, but with legislative modifications and at a lower funding level. The program rewards teaching hospitals and consortia for achievement of State policy goals, including residency downsizing and increasing underrepresented minority participation in GME. DOH has not yet finalized the exact program requirements for determining awards from the HCRA 2000 GME incentive pool. ■

NYS Assembly and Senate Budget Resolutions *continued from page 1*

by providing \$100 million in new State funding to help nursing homes hire new staff and cope with other financial challenges, including new labor contracts. The Assembly made clear that the \$100 million, which would increase to \$125 million in the following fiscal year, would be distributed through the Medicaid program, which means that the benefit to nursing homes would be \$200 million, because of Federal matching payments. The Senate did not include new funding for nursing homes in its resolution; however, GNYHA is grateful that the Senate did reject proposed Medicaid rate reductions for nursing homes and home health agencies.

The Uninsured: GNYHA is extremely grateful that the Assembly resolution would repeal restrictions on immigrants' ability to obtain

Medicaid and Family Health Plus coverage. The GNYHA and 1199/SEIU Healthcare Education Project is participating in a campaign to repeal those restrictions. The Senate resolution calls for the formation of a State task force to study the issue. The Assembly also proposes streamlining eligibility requirements for Medicaid, Child Health Plus, and Family Health Plus to ensure that all eligible New Yorkers can obtain coverage.

Outlook: Next, the Governor, Assembly, and Senate need to agree on revenue and spending estimates for the next fiscal year. This will help determine which proposals in the various budget blueprints will become law. GNYHA will continue to work with all parties to ensure new funding for hospitals and nursing homes in the coming year. ■

Medicare Trust Fund Solvency Extended to 2029

On March 19, 2001, the trustees of the Medicare Part A Trust Fund announced that their latest projections show that the trust fund—which pays most hospital and skilled nursing facility bills—will be solvent for four years longer than previously projected, through the year 2029. Experts have cited several reasons for the improved projection, including deeper-than-anticipated Medicare reimbursement rate cuts required by the Balanced Budget Act of 1997 (BBA), a decrease in Medicare billings due to Federal fraud and abuse activities, and increased payroll taxes due to the

continued low nationwide unemployment rate. GNYHA is pleased that the Medicare trustees continue to project a healthy future for the Part A trust fund, and hopes the latest projections will help in its efforts to convince the President and Congress to stop further Medicare cuts required by the BBA, including a further cut to teaching hospitals scheduled for October 1, 2002, which, through cuts in the Medicare indirect medical education adjustment, would cost New York State teaching hospitals an additional \$130 million per year in reduced Medicare reimbursements. ■

Legislative Digest

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

Public Information: The Assembly has passed bill A.2581, sponsored by Assemblyman Richard Gottfried (D). The bill would require hospitals to provide the public with information including ratios of licensed and unlicensed personnel to the number of patients, adverse patient incidents, and complaints filed with accrediting and regulatory agencies. It also restricts the use of the term "nurse" to a registered nurse or a licensed practical nurse, so patients are informed of the status of the person delivering care. Given the worsening shortage of nurses, GNYHA is concerned with the bill's failure to address staffing-related issues such as experience, supervision, and patient care needs. • **Surrogates:** The Assembly Health Committee passed A.5523, which would allow surrogates to make decisions on behalf of patients who become incapacitated but have neither appointed a health care proxy nor provided "clear and convincing" evidence of their wishes. GNYHA strongly supports A.5523 insofar as it addresses large gaps that currently exist in New York State law, and urges its enactment. ■

GNYHA Presents at Conference on 'The Crisis in Nursing' Attended by Governor

On March 29, GNYHA presented data from its *Survey of Nurse Staffing in Hospitals in the New York City Region, 2001* at a conference in NYC entitled *The Crisis in Nursing: The Need for Collaboration Between Institutions of Higher Education, Organized Labor and the Health Care Industry*. Governor George Pataki signaled the significance of the issues related to the supply of nurses by his presence at the conference and the announcement that the State will partner

with the City University of New York (CUNY) and 1199/SEIU to create a Workforce Training Center for health care workers. In addition to presenting on its staffing survey at the plenary session, GNYHA presented on its collaboration with the NYC Board of Education at a session on recruitment strategies.

The conference offered a forum where the major stakeholders in New York's health care industry could address key issues facing the nursing profession and work toward solu-

tions. Opening remarks were made by representatives from the three co-sponsors of the conference—the Chancellor of CUNY, Matthew Goldstein; the President of 1199/SEIU, Dennis Rivera; and the President of the League of Voluntary Hospitals, Bruce McIver. The keynote speaker, Peter Buerhaus, Professor of Nursing at Vanderbilt University, a leading researcher on the nursing workforce, reported on the impact of the aging workforce on the future supply of nurses. Rosa Gil, D.S.W., the newly appointed University Dean of Health Sciences for CUNY, noted a need to promote nursing as a rewarding career. ■

New York State and Congressional Delegates Take Action on Restoring Medicaid/SCHIP to Immigrants

As a result of recent work with GNYHA, Assemblyman Nick Perry, with Assemblymen Adriano Espaillat and Richard Gottfried, will introduce bill A.7774 to extend coverage under Medicaid and Family Health Plus to legal immigrants. The Assembly budget resolution proposed \$3 million for the expansion. The cost of the expansion would be paid for with State-only dollars; no local cost-sharing will be involved. GNYHA is pleased with the Assembly's efforts to provide coverage to NYS's millions of uninsured legal immigrants and will continue to campaign for coverage through the Healthcare Education Project.

At the Federal level, U.S. Senators Charles E. Schumer (D-NY) and Hillary Rodham Clinton (D-NY) signaled their support for a bipartisan bill to restore Medicaid and State Children's Health Insurance Program (SCHIP) benefits to legal immigrants. The

package addresses the millions of people who were denied access to welfare benefits as a result of the 1996 welfare reform legislation. Included in the package is the Immigrant Children's Health Improvement Act, S.582, which gives states the option to provide Medicaid and SCHIP to children and pregnant women who are legal immigrants. NYS currently provides coverage to these two groups of legal immigrants, but this bill will allow the State to receive Federal reimbursements for these services.

HR.1143, the House companion bill to S.582, is cosponsored by Congressmen Eliot Engel (D-NY), Benjamin Gilman (R-NY), James Walsh (R-NY), and Peter King (R-NY). GNYHA views these bills as a starting point to insuring NYS's legal immigrants, and will continue to work with members of the New York Congressional Delegation to expand insurance options for this group. ■

News About Grants

Federal Funding Available for Research on HIV Prevention Interventions

The National Institute of Mental Health (NIMH), the National Institute of Nursing Research (NINR), and the National Institute on Drug Abuse (NIDA) have announced the availability of up to \$3 million in funds to support research on "Community Implementation of HIV Prevention Interventions." The goal of this grant program is to study the way in which HIV prevention research translates into practice in community-based public health settings. The grants are intended to foster partnerships between researchers and community-based organizations that deliver services to high-risk populations.

Hospitals and nursing homes are eligible to apply. Letters of intent are due April 13, 2001. Applications are due May 11, 2001. The Request for Applications (RFA #MH-01-006) may be found in the *National Institutes of Health Guide for Grants and Contracts*, at <http://grants.nih.gov/grants/guide>. For more information, call Louis Steinberg of NIMH, (301) 443-6100; Hilary Sigmon of NINR, (301) 594-5970; or Helen Cesari of NIDA, (301) 402-1918.

GNYHA Generally Supportive of Governor Pataki's Power Plan

On March 20, 2001, GNYHA responded to its members' concerns about impending power shortages by writing a letter expressing "general" support for Governor George Pataki's effort to create increased power capacity in the metropolitan area before the summer's peak demand period begins. While taking no position on the specific sites for new

clean-gas turbines chosen by the New York Power Authority (NYPA)—and urging NYPA to continue to work with community groups and others to ensure acceptance of the new power plants—GNYHA President Kenneth E. Raske stated in a letter to NYPA Chairman Joseph Seymour that GNYHA agrees with NYPA's assessment that new power capacity should be created as soon as

possible. "Hospitals and continuing care facilities are particularly vulnerable in the case of power emergencies," the letter stated. "Because [GNYHA] members need power 24 hours per day, seven days a week to operate high-technology, lifesaving and life-sustaining equipment, even a short disruption can have a serious impact on our members' operations." ■

New York State Residency Programs Fill 91% of Match Positions

The results of this year's National Resident Matching Program (the "Match") were announced on March 22, 2001. In NYS, hospitals filled 2,749 of the 3,028 residency positions (90.8%) offered through the Match. More positions were offered through the Match in 2001 (up from 2,944 in 2000), but the number of positions filled remained about the same (2,732 in 2000 and 2,749 in 2001).

Among the categorical programs (programs that accept applicants with no prior residency training, with the expectation that they will complete training in the program), there was a decrease in the number of Family

Practice positions in NYS both offered and filled through the Match. In 2000, 135 of 164 Family Practice positions offered through the Match were filled, compared with 108 of 147 positions in 2001.

Among the advanced programs (specialty programs requiring one or more years of preliminary residency training), radiology, anesthesiology, and pathology programs in NYS offered—and filled—an increased number of positions through the Match for the third year in a row. More comprehensive trend data will be available in the next issue of *GME Central*, GNYHA's quarterly newsletter on graduate medical education issues. ■

National Resident Matching Program Results, 2000 and 2001

Specialty	2000			2001		
	Positions Offered	Positions Filled	Percentage Filled	Positions Offered	Positions Filled	Percentage Filled
Radiology-Diagnostic	102	102	100%	112	111	99%
Anesthesiology	74	55	74%	103	74	72%
Pathology	28	22	79%	36	30	83%

House, Senate Leaders Mixed on BBA Relief *continued from page 1*

mittee, Senators Charles E. Grassley (R-IA) and Max Baucus (D-MT), Chairman and Ranking Member of the Senate Finance Committee, respectively, expressed skepticism. "Without a clear understanding of the full effects of the provider relief legislation passed to date, we should be cautious in considering any further relief," the senators stated. "Much of the relief sought was a direct result of provisions included as part of the [BBA] . . . which expire next year. The Congressional Budget Office indicates the annual growth rate in Medicare spending is over 10% for 2001, and is expected to grow at an average annual rate of 7.8% over the next decade. Therefore, we

think it is unlikely that the Finance Committee will take up additional provider reimbursement relief this year." GNYHA has been working with a number of senators, including Senator Charles E. Schumer (D-NY), Senator Hillary Rodham Clinton (D-NY), and Senator Robert Torricelli (D-NJ), to encourage the introduction of a bill that would stop the further 18% reduction in Medicare indirect medical education payments for teaching hospitals that is scheduled to take effect on October 1, 2002. This cut would impose \$130 million per year in new Medicare cuts on NYS's teaching hospitals, and another \$26 million on NJ's teaching hospitals. ■

Annual Meeting *continued from page 1*

such as the IOM's most recent report on the health care system (*Crossing the Chasm: A New Health System for the 21st Century*), research findings on consumer use of quality information, and employers' agenda on quality and financial incentives to improve quality.

Registration: All attendees must pre-register for this event no later than Thursday, April 12, 2001. The meeting is free of charge for all GNYHA members and members of the press, and \$175 per person for non-members. All Skyline News subscribers will receive a GNYHA 2001 Annual Meeting brochure and registration form the week of April 2, 2001. If you do not receive a registration brochure, contact Barbara Marino at GNYHA. ■

Upcoming Briefings

HIPAA Conference

Date: Tuesday, April 3, 2001

Time: 1:30 p.m.–5:00 p.m.

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

This meeting will cover the implementation of the Health Insurance Portability and Accountability Act (HIPAA) electronic transaction sets, which are mandated for use by all health care entities in transacting electronic commerce on or after October 26, 2002. The briefing will provide needed information to implement the standard transactions for electronic billing, payment, eligibility, encounter data, enrollment/disenrollment, health plan premiums, health claim status, referral certification/authorization, and coordination of benefits. For more information contact Stewart Presser, and to register contact Barbara Marino, both at GNYHA.

Root Cause Analysis in Continuing Care

Date: Thursday, April 5, 2001

Time: 9:00 a.m.–12:00 noon

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

This briefing from the GNYHA Center for Continuing Care is designed for CEOs, administrators, and directors of quality improvement. It will include an overview of sentinel events and root cause analysis in long term care and strategies to systematically prevent recurrence of sentinel events within the quality management process. The briefing will be presented by Judith Moomjian, President of JM Consulting and a health care consultant with extensive experience in analyzing adverse events, identifying their causes, and developing systems changes to avoid their recurrence. For more information call Roxanne Tena-Nelson, and to register call Jenifer Fergusson, both at GNYHA.

AROUND

Kenneth A. Carter, President and Chief Executive Officer of Silvercrest Extended Care Facility, has been named Director of Continuum Services for the New York Presbyterian Healthcare System (of which Silvercrest is a member), a position he will hold while continuing his management responsibilities at Silvercrest. • **Cosmo J. LaCosta, F.A.C.H.E.**, Executive Vice President at the Brookdale University Hospital and Medical Center, has assumed responsibility for the administration and operations of Brookdale's Schulman and Schachne Institute for Nursing and Rehabilitation.