



JUNE 11, 2001

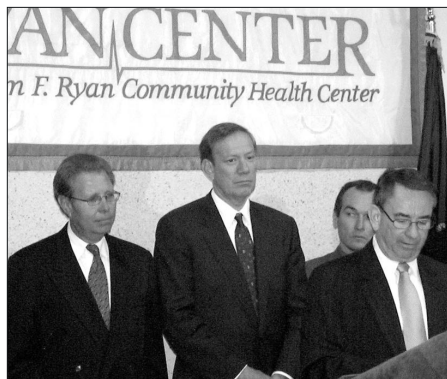
# Skyline news

REPORTING ON NEW YORK'S HEALTH CARE NEWS

## Family Health Plus Approved for Implementation in New York

On May 30, 2001, Governor George Pataki announced that the Federal government gave New York State approval to implement Family Health Plus (FHP), a new health insurance program for low-income, working adults modeled on New York's successful Child Health Plus (CHP) program. Over 600,000 uninsured adults will be eligible for FHP when the program is fully implemented. GNYHA, which worked closely with the Governor, the Assembly, and the Senate to enact FHP, applauds the Federal government for approving the program and intends to continue working with the State to publicize the availability of FHP coverage and ensure the program's smooth implementation.

**Press Conference:** The Governor made the announcement at a press conference held in the William F. Ryan Community Health Center in Manhattan. He was joined by the Secretary of the U.S. Department of Health and Human Services, Tommy Thompson, and several other health care leaders, including GNYHA President Kenneth E. Raske, President of 1199/SEIU Dennis Rivera, Senator Kemp Hannon, and New York State Department of Health Commissioner Dr. Antonia Novello. Secretary Thompson praised New York for its innovative approach to extending health coverage to adults, in particular childless adults—a population not typically covered by publicly



HHS Secretary Tommy Thompson speaking at the press conference on Family Health Plus. In the background, from left, are GNYHA President Kenneth E. Raske, Governor George Pataki, and 1199/SEIU President Dennis Rivera.

funded health insurance programs—and he called FHP the first program of its kind in the nation and a model for other states. Governor Pataki noted, “Family Health Plus will provide people across the State with the comprehensive health care they need to raise a family, work, and reap the rewards of New York’s economic prosperity.”

**Eligibility and Applications for Enrollment:** FHP coverage will be available free of charge to uninsured individuals between the ages of 18 and 65 who earn too much to qualify for Medicaid but do not have access to affordable coverage through their employer or in the direct pay market. Single adults and married couples without dependent children

*continued on page 2*

## Theresa Bischoff Installed as GNYHA Chair at Annual Dinner

Theresa A. Bischoff, President of NYU Hospitals Center and Acting Chief Operating Officer of Mount Sinai NYU Health, was installed as GNYHA's 2001–02 Chair at the Association's 2001 Annual Dinner and Awards Ceremony on June 7 at the World Financial Center Winter Garden and Plaza.

“GNYHA is very fortunate to have Terry Bischoff as its Chair, especially during a particularly challenging time for New York's not-for-profit and public hospitals and nursing homes,” said Kenneth E. Raske, GNYHA Pres-

*continued on page 3*

## NYS Court Says Legal Immigrants Can Enroll in Medicaid

The New York Court of Appeals ruled unanimously on June 5, 2001, that the State's denial of Medicaid coverage to immigrants residing lawfully in the United States violates both the State and Federal constitutions. As a result of the court's decision in *Aliessa v. Novello*, New York must allow legal immigrants and persons residing under the color of law (PRUCOLs) to enroll in the Medicaid program on the same basis as citizens.

*continued on page 4*

## Five More New Yorkers Cosponsor BBA Relief Bill

Members of the New York Congressional Delegation continue to cosponsor H.R.1556, the American Hospital Preservation Act. The bill would freeze indirect medical education payments at 6.5% and provide a full inpatient market basket update for Federal fiscal years 2002 and 2003. The four new cosponsors from New York are Representatives Nita Lowey, Charles Rangel, Jose Serrano, Louise Slaughter, and Anthony Weiner, bringing the number of New York cosponsors to 19. GNYHA is extremely grateful to all the members of the New York Congressional Delegation for their support of H.R.1556, a bill that eliminates over \$765 million in cuts over five years to New York hospitals. GNYHA continues to work with the delegation to ensure full cosponsorship of this very important legislation. ■

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**Gary S. Horan, F.A.C.H.E.**, has accepted the position of President and Chief Executive Officer of Trinitas Healthcare System in central New Jersey. He was formerly President and Chief Executive Officer of Our Lady of Mercy Health Care System. • The New York State Senate has confirmed the appointment of **Alan Kopman**, President and Chief Executive Officer of New York Westchester Square Medical Center, to a three-year term on the New York State Hospital Review and Planning Council. • The New York State Department of Health (DOH) has named **Cathy Blake** Director of Healthcare Quality Initiatives. She was formerly Assistant Regional Director of DOH's Metropolitan Area Regional Office (MARO). In her new role, Ms. Blake will be part of DOH's Patient Safety Center management team. She will also continue to work with MARO to oversee the integration of quality assurance activities as part of DOH's hospital, nursing home, and other surveillance initiatives. ■

## FHP Approved for Implementation in New York *continued from page 1*

qualify if their incomes do not exceed 100% of the Federal poverty level (\$8,590 for an individual and \$11,610 for a couple), and parents are eligible if their incomes are under 150% of the poverty level (\$26,400 for a family of four). The Federal government will pay 50% of the cost of the program, while the State and localities each will fund 25%.

At the press conference, Dr. Novello announced that applications for FHP will be available on September 1, 2001, and the State expects to begin enrolling individuals on October 1. New Yorkers interested in receiv-

ing information about FHP or placing their name and address on a list to receive an application when it becomes available can call the DOH hotline at 1-877-9FHPLUS.

**Advocacy:** FHP was strongly supported by the Healthcare Education Project, a joint initiative of GNYHA and 1199/SEIU-New York's Health and Human Service Union. The Project produced radio, television, and print ads that ran throughout New York State, as well as poster and direct-mail campaigns urging New Yorkers to contact their public officials in support of FHP. ■

## DOH Releases HCRA GME Incentive Pool Survey

The NYS Department of Health (DOH) has released the survey for the State Graduate Medical Education (GME) incentive pool program, originally authorized in the Health Care Reform Act (HCRA) of 1996 and continued in HCRA 2000. The \$31 million program rewards teaching hospitals and GME consortia for progress toward and achievement of State policy goals in the area of GME.

HCRA 2000 modified the program, eliminating several goals. The remaining goals include improving the quality of training programs, downsizing the number of non-primary care residents, increasing the proportion of residents training in ambulatory

care sites and underserved areas, and increasing the training of underrepresented minorities. The requirement that a hospital must downsize the number of residents in order to qualify for any portion of the funding was removed in HCRA 2000.

The survey and supporting materials are available on the DOH Web site at [www.health.state.ny.us/nysdoh/gme/main.htm](http://www.health.state.ny.us/nysdoh/gme/main.htm). The survey is due July 11, 2001. DOH is holding a briefing on the program and the survey on June 26, 2001, from 10:00 a.m. to 12:00 noon at their NYC office at 5 Penn Plaza, Room 303. If interested, you must register by contacting the GME Unit of DOH at (518) 473-3513 or [gme@health.state.ny.us](mailto:gme@health.state.ny.us). ■

## Senate Confirms Three HHS Positions

During recent budget negotiations, the U.S. Senate approved three individuals for key positions within the U.S. Department of Health and Human Services (HHS).

Thomas Scully was approved to be the Director of the U.S. Health Care Financing Administration. Mr. Scully was previously the President of the Federation of American Health Systems.

Piyush "Bobby" Jindal was approved as Assistant Secretary for Planning and Evaluation. Mr. Jindal has served as Director of

Louisiana's Department of Health and Hospitals and Director of the National Bipartisan Commission on the Future of Medicare.

Claude Allen was confirmed as HHS Deputy Secretary. Mr. Allen was formerly Deputy Secretary of Virginia's Health and Human Resources division, where he implemented Virginia's welfare reform initiative and led the campaign to pass Virginia's patients' bill of rights legislation.

GNYHA looks forward to working with the new HHS administration to ensure that New York's health care providers receive fair reimbursement that will enable them to continue providing the highest quality of care to all New Yorkers. ■

# HMO Reform Bill Moving Through Assembly

**O**n June 6, 2001, the New York State Assembly Ways and Means Committee voted to approve A.8740, which would reform HMO payment practices. The bill, introduced by the Rules Committee at the request of Assemblymen Pete Grannis and Richard Gottfried, and Speaker Sheldon Silver, would end the abusive practices of many HMOs and health insurance companies.

The bill includes provisions that address concerns expressed by the hospital community. It creates an independent dispute resolution system; creates a health insurance guaranty fund to protect consumers and providers from punishing financial obligations in the case of the insolvency of an

HMO or insurer; clarifies that prior authorization for treatment is binding; provides for enhanced penalties, including an interim payment system, for HMOs or insurers who violate the State's prompt payment statute; and requires HMOs or insurers to pay electronic claims within 15 days and imposes penalties on payers who cannot accept electronic claims by January 1, 2002.

GNYHA applauds Speaker Silver, Insurance Committee Chairman Grannis, and Health Committee Chairman Gottfried for their leadership in crafting balanced HMO reform legislation for New Yorkers. GNYHA will continue to work with members of the Assembly to ensure passage of this important legislation. ■

## GNYHF-UHF Symposium "Call for Abstracts" Released

**G**reater New York Hospital Foundation (GNYHF) and the United Hospital Fund (UHF) have released the Call for Abstracts for this year's Symposium on Health Services Research in New York, to be held November 28, 2001. The Symposium planning committee is soliciting abstracts on an array of topics, including health care financing, health care quality and measurement systems, access to health care, alternative and complementary health care, long-term care, health insurance and managed care, and other topics. Presentations may focus on original research, synthesis of research, or model programs, although model programs must have a rigorous evaluation component to be considered. Abstract submissions must be received by July 25, 2001. For more information, contact Tim Johnson at [tjohnson@gnyha.org](mailto:tjohnson@gnyha.org). ■

## Theresa Bischoff Installed as GNYHA Chair *continued from page 1*

ident. "Her leadership skills and experience will be very important in the upcoming year, as New York's health care community strives to provide the very highest quality of care while facing serious challenges, including Medicare cutbacks, the workforce shortage, unfair payment practices by HMOs and other payers, and severe wage pressure." Ms. Bischoff, who has been a member of the GNYHA Board of Governors since 1994, will serve as Chair through June 2002.

**New Officers:** Also installed as officers of GNYHA's Board of Governors were **Edward A. Stolzenberg**, Westchester Medical Center, Chairman-Elect; **Stanley Brezenoff**, Maimonides Medical Center, Vice Chairman; **Arthur Y. Webb**, Village Care of New York, Vice Chairman; **Herbert Pardes, M.D.**, New York-Presbyterian Hospital, Vice Chairman; **Michael Dowling**, North Shore-Long Island Jewish Health Care System, Secretary; **Peter A. Kelly**, Continuum Health Partners, Treasurer; **Gladys George**, Lenox Hill Hospital, Immediate Past Chair; **Mark J. Mundy**, New York Methodist Hospital, Past Chairman; **Barry R. Freedman**, The Mount Sinai Hospital, Past Chairman; **John R. Gunn**, Memorial Hospital for Cancer and Allied Diseases, Past Chairman; **David P. Rosen**, Jamaica Hospital Medical Center, Past Chairman; **Spencer Foreman, M.D.**, Montefiore Medical Center, Past

Chairman; and **Frederick D. Alley**, The Brooklyn Hospital Center, Past Chairman.

**New Board Members:** Installed as members of the GNYHA Board of Governors in the Class of 2004 were **Ronald Aldrich**, Catholic Health Services of Long Island; **Linda Brady, M.D.**, Kingsbrook Jewish Medical Center; **James Foy**, St. John's Riverside Health Care System; **John R. Reynolds**, Hospital for Special Surgery; **Paul Rosenfeld**, Saint Vincents Catholic Medical Centers of New York, Continuing Care Services; and **John R. Spicer**, Sound Shore Medical Center of Westchester. Installed as a member of the GNYHA Board of Governors in the Class of 2003 was **John P. Ferguson**, Hackensack University Medical Center.

**Awards Ceremony:** **Eli Ginzberg, Ph.D.**, received the GNYHA 2001 Lifetime Achievement Award. Dr. Ginzberg was recognized for his decades of service—marked by his strong

sense of social justice and economic equality—as one of the nation's preeminent economists of health policy, health services, and hospital administration. Since 1950 Dr. Ginzberg has been Director of the Eisenhower Center for the Conservation of Human Resources at Columbia University, and is the author of more than 100 books in the fields of human resources, urban studies, and health policy. **Claire Panke, R.N.**, received special recognition for her outstanding work as a media spokesperson for the Coalition to Protect America's Healthcare, a national group of hospitals, hospital associations, and businesses formed in 2000 to address critically important health care issues. Finally, the GNYHA membership thanked outgoing Board Chair Gladys George for her excellent service. ■

### Legislative Digest

*In recent weeks, Governor George Pataki, the New York State Senate, and the New York State Assembly have taken action on the following health-related legislation.*

**Financial Assistance for Hospices:** The NYS Senate and Assembly have passed A.7494-A, sponsored by Assemblyman Richard Gottfried. The bill establishes a supplemental financial assistance program for hospices to provide care to persons with special needs. GNYHA supports this legislation, which will play a critical role in providing end-of-life care to the terminally ill and respite for their families. The bill has not yet been delivered to Governor Pataki. ■

# HCFA Clarifies Instructions for Home Health Agencies

On May 25, 2001, the U.S. Health Care Financing Administration (HCFA) issued a program memorandum (Transmittal A-01-70) clarifying its policy on the issuance of advance beneficiary notices (ABNs) by home health agencies (HHAs) to individuals dually eligible for both Medicare and Medicaid. Since March 1, 2001, HCFA has required HHAs to provide ABNs to Medicare beneficiaries when an HHA expects that Medicare will not pay for home health services. In response to concerns raised by HHAs regarding the dually eligible population, GNYHA and other associations confirmed with the NYS Department of Health (DOH) that the requirement would allow HHAs to provide an ABN in an appropriate situation and bill Medicaid before receiving a coverage determination from Medicare, which alleviated the imminent concerns regarding continuity of care and

cash flow. Consistent with the interpretation by DOH, HCFA's recent transmittal clarifies the ABN requirement and allows for continuous home health services for the dually eligible. Specifically, HCFA states that with respect to the chronic long-term dually eligible population, HHAs are not required to provide an ABN if no Medicare services have been provided and no triggering events have occurred. HCFA further states that if an ABN is provided and a patient marks Option C (that no claim be sent to Medicare), the HHA may bill Medicaid or other insurance sources. In addition, HCFA outlines the responsibilities of HHAs regarding the completion of the OASIS when the payer shifts from Medicare to another source and vice versa, noting that OASIS data collection is required only when Medicare becomes the payer source. The program memorandum also includes a list of relevant HCFA Web sites where HHAs can find current information regarding ABNs and the home health prospective payment system. This memorandum is on the HCFA Web site at [www.hcfa.gov](http://www.hcfa.gov). If you have any questions, please call Roxanne Tena-Nelson at GNYHA. ■

## Upcoming Briefings

### Energy Issues

**Date:** Monday, June 18, 2001

**Time:** 9:30 a.m.–12:00 noon

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

At this member briefing, representatives from Consolidated Edison, the Long Island Power Authority, the NYC Mayor's Office of Emergency Management, the NYS Energy Research and Development Authority (NYSERDA), and the New York Power Authority will discuss issues related to energy usage and contingency planning issues regarding power outages. The NYSEERDA representative will discuss NYSEERDA's programs for improving energy efficiency. For more information, call Doris R. Varlese, and to register, call Barbara Marino, both at GNYHA.

### Collection of DNA Evidence

**Date:** Tuesday, June 19, 2001

**Time:** 9:00 a.m.–1:30 p.m.

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

This member briefing, held in conjunction with the NYC Alliance Against Sexual Assault, will cover the topic of how to improve DNA evidence collection during an examination following a sexual assault. Representatives from the NYS Department of Health, the NYC Police Department, the NYC Office of the Chief Medical Examiner, and GNYHA members will speak. For more information, call Doris R. Varlese, and to register, call Barbara Marino, both at GNYHA.

## New York Court Says Legal Immigrants Can Enroll in Medicaid *continued from page 1*

The exclusion of legal immigrants from Medicaid dates back to the enactment of the 1996 Federal welfare reform law, which withdrew Federal contributions to Medicaid for most legal immigrants who entered the country after August 22, 1996, except for emergency medical care. While a number of states, including Connecticut, Massachusetts, New Jersey, and Pennsylvania, chose to use state funds to provide health coverage to federally excluded immigrants, New York law has provided Medicaid coverage only of emergency

care for federally excluded adults and prenatal care for adult undocumented and legal immigrants. (Low-income children are eligible for Child Health Plus regardless of their immigration status.)

The court held that New York's refusal to provide coverage to legal immigrants who meet Medicaid's income and other criteria violates their right to care for the needy under the NYS Constitution, and their right to equal protection under both the State and Federal constitutions. The decision—which could

affect up to 97,000 individuals—is considered a significant victory for NYS's immigrant community, health care providers, and immigrant advocates.

In related news, the U.S. Court of Appeals this past May reversed a 1997 ruling in the *Lewis v. Grinker* case that allowed New York to receive Federal funding for prenatal care provided to pregnant, undocumented immigrants. New York currently provides prenatal, delivery, and postpartum care to low-income pregnant women, regardless of their immigration status, through the Prenatal Care and Assistance Program (PCAP). Women and infants with family incomes up to 200% of the Federal poverty level (\$28,160 for a family of four, with pregnant women counting as two people) qualify for the program. The court's ruling will result in thousands of undocumented women losing their eligibility for PCAP, though children born to undocumented women will still be eligible to receive Medicaid coverage for up to one year. ■

## STAFF

**Susan Stuard** has joined the staff of GNYHA as Director, Regulatory Affairs. Ms. Stuard comes to GNYHA from Salu, Inc., where she co-directed the integration and launch of an Internet product designed to help physicians manage their practices. Ms. Stuard worked previously at Memorial Sloan-Kettering Cancer Center. She holds an M.B.A. from the Yale School of Management, and will assist GNYHA members on issues pertaining to information technology, implementation of requirements associated with the Health Insurance Portability and Accountability Act of 1996, and general compliance and regulatory issues. ■