



OCTOBER 2, 2006

# Skyline news

REPORTING ON NEW YORK'S HEALTH CARE NEWS

## Ryan White Reauthorization Means Heavy Losses for New York State and New York City

Last week, by a vote of 325–98, the U.S. House of Representatives passed the Ryan White HIV/AIDS Treatment Modernization Act, which would reauthorize the Ryan White Care Act program created originally by PL 101-381 in 1990. While the measure attempts to ensure the availability of necessary and important health care services to individuals living with HIV and AIDS, the legislation significantly alters the funding formulas for states and localities. These changes result in cuts to NYC of nearly \$18 million in 2007 and to NYS of \$78 million over four years. The entire New York delegation voted

against the bill with the exception of Rep. Sherwood Boehlert (R-NY).

Despite letters from the Pataki and Bloomberg Administrations, the entire New York Congressional Delegation, and GNYHA urging Congress to protect New York from damaging cuts, the bill was passed. Prior to the House vote, the Energy and Commerce Committee approved the bill by a vote of 38–10. Reps. Edolphus Towns (D-NY) and Eliot Engel (D-NY) offered an amendment that would have “fixed” New York and other states that would face serious losses under the

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## Health Savings Accounts Attract Wealthier and Healthier Users, Report Says

### House Ways and Means Approves Bill Aimed at Expanding HSA Use

A recent report by the Government Accountability Office (GAO) on consumer-directed health plans found that more than half of 2004 tax filers who reported making contributions to health savings accounts (HSAs) had adjusted annual gross incomes of \$75,000 or more and that the average income of HSA users was \$133,000. In contrast, only 18% of tax filers under age 65 reported incomes above \$75,000.

HSAs, which were created by the 2003

Medicare Modernization Act, couple tax-advantaged savings accounts with high-deductible traditional health insurance. The original goal of HSAs was to reduce the cost of health care by making consumers more aware of the costs of their care and more involved in the purchase of health care services. More than half of HSA enrollees made permitted contributions to their HSA accounts and about two-thirds of employers

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## GNYHA Launches Redesigned Web Site

GNYHA recently launched its redesigned and updated Web site, [www.gnyha.org](http://www.gnyha.org), which now offers even more resources in an easier-to-use format. While retaining the substantial reference materials from the original site, such as the Emergency Preparedness Resource Center, the newly configured site is designed to provide readily accessible tools and information for members in addition to guiding the media and general public to information about hospitals and health care in the New York metropolitan area. The redesigned site also contains a revamped advocacy center with more comprehensive information about Federal and State policy issues of importance to GNYHA members, an improved Legislative Action Center for future grassroots advocacy campaigns, and a library of relevant bill summaries and GNYHA position papers.

Notably, the new homepage contains information relevant to the latest GNYHA advocacy and analysis efforts, as well as a sidebar featuring the most recent member letter bulletins and member press release submissions. Also new is an “About GNYHA” section with information about GNYHA’s history, a member directory, and a new GNYHA Press Room with timely information about health care policy in the New York metropolitan area and beyond. In addition, the member press release area provides an outlet for member-generated news and a clearinghouse for reporters looking for story ideas.

The resource library has been expanded,

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## Medical Acculturation Program Helps International Medical Grads Adjust to U.S. Teaching Hospitals

This past June, GNYHA sponsored a pilot program, the *Medical Acculturation Program for International Medical Graduates*, in collaboration with the American College of Physicians—New York Interest Group, the Educational Commission for Foreign Medical Graduates (ECFMG). The program was designed to introduce new physician residents to the U.S. teaching hospital environment. Four internal medicine residency programs—from New York Methodist Hospital, Woodhull Medical & Health Center, Maimonides Medical Center, and Interfaith Medical Center—sent incoming physician residents to the one-day program. The goal was to assist the graduates in adjusting to the cultural environment of their residency training programs and hospitals by addressing the knowledge, skills, and attitudes that contribute to more rapid medical acculturation. There were 71 attendees.

The program covered the resident's experience, the American health care system and health insurance, the medical record, and the role of the multidisciplinary health care team. The vast majority of participants reported gaining an increase in knowledge in all areas. Approximately half the residents reported that the session on the American health care system and health insurance helped them learn that clinical decisions and treatment options can be influenced by the patient's health insurance. Eighty-four percent of participants reported the final session helped them identify the members of the multidisciplinary health care team and 75% reported gaining valuable knowledge about the duties of the multidisciplinary health care team members. GNYHA staff reported on the program last week at an annual conference in Philadelphia sponsored by the ECFMG. GNYHA is evaluating next steps in the hope of expanding the program to all specialties and all teaching hospitals in the region. ■

## CCLC Annual Meeting Highlights Leadership and Health Information Technology

On Sept. 26, 2006, the Continuing Care Leadership Coalition (CCLC), the long term care (LTC) affiliate of GNYHA, held its third annual meeting at the Hilton New York Hotel. The meeting honored LTC leadership and focused on the use of health information technology (HIT) in long term care. CCLC recognized Mark J. Kator, President and CEO of Isabella Geriatric Center, for his two years of service as Chair of the CCLC Board of Directors and GNYHA Vice Chair of Long Term Care. The CCLC membership elected Audrey Weiner, D.S.W., President and CEO of The Jewish Home and Hospital Lifecare System, as the new Chair of the CCLC Board of Directors. Ms. Weiner also serves as GNYHA's Vice Chair of Long Term Care. CCLC presented the 2006 Continuing Care Leadership Award to former Senator Tarky Lombardi, Jr., who has a distinguished record as a strong supporter of health care issues and is the namesake of the Lom-

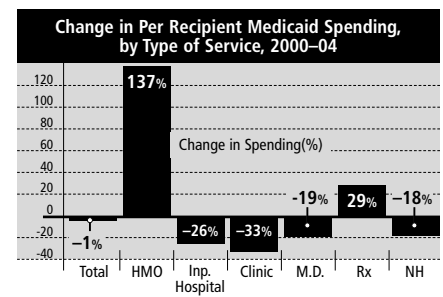
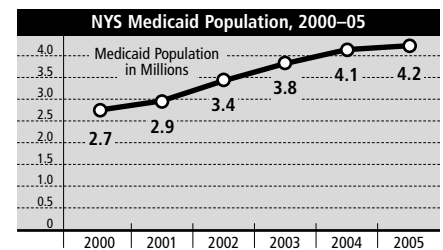
bardi long term home health care program in NYS. Assemblyman Richard Gottfried, Chair of the Assembly Health Committee, and Keith Servis, Director of Quality and Surveillance for Nursing Homes at the NYS Department of Health, addressed the membership on LTC policy and regulatory issues and commended CCLC for its dedication to quality care.

An educational session at the meeting focused on the rapidly expanding impact of HIT in the long term care setting. Dan Reingold, Treasurer of CCLC's Board and President and CEO of Hebrew Home for the Aged at Riverdale, moderated the panel discussion, "The Adoption and Future of Health Information Technology in Long Term Care." Robert Kolodoner, M.D., the new Acting National Coordinator of HIT for the U.S. Department of Health and Human Services and former Chief Health Informatics Officer of the Veterans Health Administration, described electronic health record implemen-

## MEDICAID CORNER

### New York's Medicaid Spending Per Recipient Falls Over Five-Year Period

A RECENT GNYHA ANALYSIS of NYS Department of Health data reveals that NYS has done a remarkable job of controlling Medicaid-per-recipient spending growth over the last five years, with Medicaid spending per recipient actually falling over the period 2000–04, the most recent years for which data are available. Overall Medicaid spending growth, which increased by 48%, was driven entirely by—and outpaced by—a dramatic increase of 52% in the number of Medicaid enrollees during the same period. Enrollment continued to grow slightly in 2005. Increased Medicaid coverage through the Family Health Plus program in particular has been a major factor in reducing the number of uninsured New Yorkers such that New York's uninsured rate is now well below the national average. Because overall spending growth has been driven by an increase in the number of people covered, spending per Medicaid client actually decreased from 2000 to 2004. Within that decrease, spending grew for payments to Medicaid managed care plans as a result of the expansion of the State's managed care program, as well as for prescription drugs. In all other categories, spending per beneficiary declined. ■



Source: NYS Department of Health

tation in the Veterans Administration system and future visions for HIT. Carol Raphael, President and CEO, Visiting Nurse Service of New York, discussed lessons learned from her organization's experience with implementing HIT in a home and community-based care setting. Finally, Russell Bodoff, Executive Director, Center for Aging Services Technologies, discussed the future impact of HIT in long term care, highlighting new technology on the horizon to assist providers. ■

## Health Savings Accounts *continued from page 1*

also made contributions, according to the GAO report. However, 55% of those reporting HSA contributions did not withdraw any money from their accounts for the year. The study was unable to determine whether this was because enrollees paid out-of-pocket for health care services rather than withdraw tax-sheltered funds, failed to use health care services, or reduced their spending. However, from focus group interviews, the study concluded separately that many used the accounts as a way to achieve tax-advantaged savings.

Focus groups also revealed that few enrollees in HSA-eligible plans had researched the cost of services prior to obtaining care, but that many did research the cost of prescription drugs. Proponents of public reporting of provider costs and prices have cited the need for transparency to enable HSA enrollees to become more cost-conscious health care consumers. Many of those interviewed by the GAO expressed satisfaction with their HSA-eligible plans and re-enrolled when possible. Most also stated that they would not recommend HSAs for consumers who use maintenance medication, have a chronic condition, have children, or who might lack funds to meet the high deductibles. The study noted that these enrollees had a choice of plans and volunteered to enroll initially.

The GAO estimated that approximately 3 million lives were covered under HSA-eligible health plans as of January 2006, up from 438,000 in September 2004. More than half

of enrollees had purchased their coverage through the individual market.

The report can be found on the GAO Web site at [www.gao.gov/new.items/d06798.pdf](http://www.gao.gov/new.items/d06798.pdf).

**Congressional Committees:** On the heels of the release of the GAO report, the Senate Finance Health Care Subcommittee held a hearing to review the experience to date with HSAs, while the House Ways and Means Committee marked up legislation that would expand their use. At the Finance Subcommittee hearing, Chairman Orrin Hatch (R-UT) extolled the benefits and growth of HSAs, particularly as an affordable insurance option for small business owners. Ranking Member Jay Rockefeller (D-WV) expressed concern that HSAs would leave older and less healthy enrollees in traditional plans, thereby increasing the costs of such plans. The Commonwealth Fund, a non-partisan think tank, cautioned that individuals in high-deductible health plans are far more likely to delay or avoid care because of the associated costs. Hatch used the hearing to underscore the value of legislation he has introduced (S. 3585) that would facilitate HSA adoption by mak-

ing these plans more attractive to both employers and consumers.

On the House side, the Ways and Means Committee approved legislation (H.R. 6134) that includes similar provisions aimed at expanding HSA use. A priority health care issue for the Bush Administration, and for Republicans generally, HSA legislation is expected to garner increasing attention from Congress in the coming months. ■

## SHRPC UPDATE

At its meeting on Sept. 21, 2006, the State Hospital Review and Planning Council (SHRPC) Project Review Committee approved the transfer of ownership of Mary Immaculate Hospital and St. John's Queens Hospital to Caritas Health Care Planning, Inc. Both hospitals are currently operated by Saint Vincent Catholic Medical Centers (SVCMC) and were included in SVCMC's bankruptcy filing. Caritas Health Care Planning, Inc. is an affiliate of Wyckoff Heights Medical Center. The transfer will be voted upon at the full SHRPC meeting on Oct. 5, 2006, and must also be approved by the New York State Public Health Council. ■

## GNYHA Web Site *continued from page 1*

with several new resource centers, including a health information technology section and a legal and regulatory section that contains information on compliance, the Health Insurance Portability and Accountability Act, and other important hospital issues. Other highlights include lists of upcoming GNYHA events by subject area and a two-week archive of news clips from major area newspapers.

While much of the new site is open to the public, certain areas are restricted to GNYHA members. To ensure access to the entire site, members must re-register using the "Register" function at the top right corner of the homepage at [www.gnyha.org](http://www.gnyha.org). ■

**Mark Wagar** has been named President of Empire Blue Cross Blue Shield in New York. Mr. Wagar, who is currently Senior Vice President and Market Leader for the company's national accounts in the Northeast, will replace **Jason Gorevic**, who has been promoted to Senior Vice President, Chief Marketing and Product Officer for WellPoint, Inc., the parent company of Empire. Both executives will remain in New York, and their new appointments are effective Nov. 1, 2006. Mr. Wagar joined WellPoint through the 2005 merger with WellChoice in New York and was responsible for national account sales and account management for the Northeast. Prior to joining WellPoint, he was Senior Vice President of Sales for Empire. • **Jonathan Metsch, Dr.P.H.**, has resigned as President and Chief Executive Officer of Jersey City Medical Center and its parent, LibertyHealth, effective immediately. **Stephen Kirby**, LibertyHealth's Executive Vice President, Chief Operating Officer, and Chief Financial Officer, has been appointed Acting Chief Executive Officer while a search committee looks for Dr. Metsch's successor. • **Winifred B. Mack** has been appointed the new Executive Director of North Shore—Long Island Jewish Southside Hospital, following the retirement of **Michael L. Nolan**. • With the departure of **Mark McClellan, M.D., Ph.D.** as Administrator of the Centers for Medicare & Medicaid Services (CMS), effective Oct. 15, 2006, **Leslie V. Norwalk, Esq.** became CMS Acting Administrator. Prior to her new appointment, Ms. Norwalk, who has been with CMS for five years, was CMS Deputy Administrator. She has also served as Chief Operating Officer and Acting Director of the Centers for Beneficiary Choices. Ms. Norwalk is a nationally recognized expert on Medicare issues and played a key role in the implementation of the Medicare prescription drug benefit. ■

## Ryan White Reauthorization

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new formulas, but the measure failed narrowly by a single vote (22–21). Congressman Vito Fossella (R-NY) and Engel introduced a separate amendment that would have created a supplemental pool to minimize the losses to New York, but with the lack of support from other Committee members, the

amendment was withdrawn.

Efforts were also made by the Senate to pass the reauthorization bill by unanimous consent before Congress broke for recess last week. As *Skyline News* went to press, the measure had not passed, as the result of holds that were placed on the legislation. In an effort to stave off cuts to New York, Senators Hillary Clinton (D-NY) and Charles Schumer (D-NY) co-sponsored alternative

legislation introduced by Frank Lautenberg (D-NJ) last week that would temporarily reauthorize the program for one year, increase funding for states facing losses in 2007, and require the Senate to revisit the funding formulas next year. Identical legislation was spearheaded in the House by Rep. Frank Pallone (D-NJ), with support at press time from NY Democratic Representatives Eliot Engel, Jerrold Nadler, Ed Towns, Joseph Crowley, Louise Slaughter, Carolyn Maloney, Gary Ackerman, Maurice Hinchey, Brian Higgins, Anthony Weiner, Carolyn McCarthy, Nita Lowey, Jose Serrano, Major Owens, and Michael McNulty from the New York delegation. ■

## GNYHA Identifies Model Practices for Optimizing Quality

### Rapid Response System Collaborative Plans First Meeting

As part of their efforts to identify a “model” for optimizing quality of care and patient safety, GNYHA and the United Hospital Fund (UHF) are finalizing plans for the first meeting of their Rapid Response System (RRS) Collaborative. The Collaborative will promote the use of the RRS—teams of clinicians who bring critical care expertise to the bedside before patients decline into a critical state—in hospitals. The RRS Collaborative will build on the lessons learned through the GNYHA/UHF Central Line–Associated Bloodstream Infections (CLABs) Collaborative and the GNYHA Pay-for-Performance (P4P) coach development. While the primary goal of the CLABs Collaborative has been to eliminate CLABs in the ICU setting and the primary goal of the P4P coach development is to educate frontline staff on the objectives of P4P and the impact they have on optimizing patient outcomes and satisfaction, the broader goal of both initiatives is to identify practices that can contribute to creating a systemwide approach, or “model,” to improve and sustain quality and patient safety.

Some of the best practices identified in the CLABs and P4P initiatives include establishing a multidisciplinary team structure, maintaining effective communication with all staff about quality initiatives and organizational goals, assisting frontline staff to understand their roles and value as they relate to positive patient outcomes, fostering ongoing senior leadership support and problem-solving rounds, creating and nurturing a hospital-wide culture of patient safety, and training

staff-level coaches to lead and/or support the quality model. These practices are common in organizations that have pioneered successful quality improvement initiatives. Specifically, CLABs Collaborative and P4P participants observed that these practices can be most effective if bundled together as part of an overall quality framework. Of note, participants in the P4P program commented that frontline staff are often asked to make a change, provide a service, or provide resources, but the rationale for the request and the value of the staff involvement are not communicated effectively and, therefore, breakdowns or delays in process occur. Through the P4P coach development, the CLABs Collaborative, and the RRS Collaborative, GNYHA will continue to work with members to overcome such challenges.

GNYHA and UHF will support the hospitals participating in the RRS Collaborative through ongoing educational programs, establishing an “expert-on-call” system, developing a Web-based resource, and providing data analysis and reporting. Participating hospitals will be challenged to adopt practices to drive improvement and further refine the quality “model.”

The RRS Collaborative kick-off meeting is scheduled for Oct. 30, 2006, and is open to all RRS Collaborative participating hospitals. Details and educational materials will be available to all members on the GNYHA Web site at [www.gnyha.org](http://www.gnyha.org). The GNYHA P4P coach development is ongoing and hospitals interested in participating can contact Terri Straub or Julie Mathew, both at GNYHA. ■

### Upcoming GNYHA Member Briefings

#### Medication Safety at the Point of Care

**Date:** Thursday, October 12, 2006

**Time:** 9:00 a.m.–1:00 p.m.

**Location:** GNYHA Conference Center, 555 West 57th Street, 15th Floor; and via Webcast

This briefing, part of the Clinical Update series, will focus on new technologies developed specifically to prevent medication errors. Speakers will include Tim Vanderveen, Pharm.D., M.S., Vice President of the Center for Medication Safety and Clinical Improvement; Shawn O’Connell, M.S., R.N., Director of Clinical Services for B. Braun; Lisa Baillargeon, B.S.N., R.N., Clinical Consultant for B. Braun; and Melissa Gray, B.S., R.N., Critical Care Nurse at George Washington University Medical Center. For more information, contact Terri Straub at GNYHA; to register, contact Nyree Vega at [nvega@gnyha.org](mailto:nvega@gnyha.org).

#### Craneware, Inc.: Preparing for Upcoming Changes to the Medicare Hospital OPSS

**Date:** Wednesday, October 18, 2006

**Time:** 10:30 a.m.–11:30 a.m.

**Location:** Web Demonstration

Craneware, Inc., a GNYHA Services, Inc. contracted supplier, will demonstrate its chargemaster solutions, which provide the ability to automatically update chargemaster line items, thereby improving claim accuracy and reducing payment denial and delays. These automated solutions will also assist hospitals in becoming compliant with the upcoming changes to the Medicare Hospital Outpatient Prospective Payment System (OPSS). To register and obtain login information, contact Barbara Green or Adam Daehnke at GNYHA. ■