



April 28, 2008

Skyline news

Reporting on New York's Health Care News

New York Governor David Paterson Speaks at GNYHA Annual Meeting

GNYHA held its 2008 annual meeting on April 24 at The Roosevelt Hotel in Manhattan. Governor David A. Paterson gave the keynote address. Following the Governor's address, a panel discussion was held with leading experts from health care, academia, and the pharmaceutical industry. Also featured were New York Organ Donor Network President and CEO Elaine Berg and human resources expert Ann Rhoades.

Keynote Address: Governor Paterson began by thanking GNYHA for its cooperation during the recent State budget negotiations and acknowledged the contributions of NYS Commissioner of Health Richard Daines, M.D.; NYS Deputy Secretary for Health and Human Services Dennis Whalen; and NYS Superintendent of Insurance Eric

House Passes Medicaid Moratorium Bill; Administration Threatens Veto

On April 22, the U.S. House of Representatives, by a bipartisan and veto-proof vote of 349–62,

Dinallo. He noted that New York provides health care to everyone—"from dignitaries to the destitute"—yet, while it offers the best health care in the world to so many, a multitude of challenges remain, including preventable hospitalizations, chronic asthma, the uninsured, the provision of ambulatory care, and the shortage of primary care physicians, among other challenges. Yet New York's providers, he continued, are unique in that, despite the high level of care they already provide, they strive constantly to improve their services, to save lives and reduce costs, in part by "customizing" care so that all patients benefit—unlike, for example,

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overwhelmingly approved the Protecting the Medicaid Safety Net Act of 2008 (H.R. 5613). The bill, sponsored by Energy and Commerce Committee Chairman

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Save the Date!

GNYHA ANNUAL RECEPTION & AWARDS CEREMONY

A Salute to the Physician Training Capital of the World
Wednesday, June 4, 2008
5:30 p.m.–9:30 p.m.

AT THIS YEAR'S ANNUAL RECEPTION and Awards Ceremony, GNYHA salutes "the physician training capital of the world" by honoring three representative alumni of New York-area graduate medical education programs who exemplify the hundreds of thousands of physicians who have trained here: Bruce Charash, M.D., Founder and Chairman of Doc to Dock; Malachi G. Sheahan III, M.D., Program Director of the Vascular Surgery Fellowship and Assistant Professor of Surgery, Louisiana State University School of Medicine, New Orleans; and Martin Posner, M.D., Clinical Professor of Orthopaedic Surgery at NYU Hospital for Joint Diseases.

Invitations will be mailed to all members shortly. Please contact Adriana Ramos at aramos@gnyha.org for more information. ■



GNYHA President Kenneth Raske greets Governor David A. Paterson at GNYHA's Annual Meeting on April 24.



CMS Proposes to Expand Quality Reporting Requirements

On April 14, the Centers for Medicare & Medicaid Services (CMS) released its Medicare inpatient hospital prospective payment system (IPPS) proposed rule for fiscal year (FY) 2009, which begins on October 1, 2008. The proposed rule would increase IPPS rates by the statutorily required market basket index update of 3.0%. GNYHA will be submitting comments on the proposed rule by the deadline of June 13. The final rule is required to be published by August 1.

Quality Reporting Requirements:

The most significant proposal in the rule is a major expansion of the measure set included in the "Reporting Hospital Quality Data for the Annual Payment Update" program. The expansion covers 43 new measures, although only 16 of those new measures would require hospitals to collect more data than they already do because CMS would use administrative data or data already submitted to other parties for the other 27 measures. Furthermore, while the expansion would apply to the FY 2010 annual payment update, measures would not be implemented until the National Quality Forum endorses them. GNYHA is greatly concerned about the administrative bur-

den that expanded data reporting would impose on hospitals and about the validity of measures that have not been vetted and adopted by the Hospital Quality Alliance, a collaborative organization that includes CMS, the American Hospital Association, the Association of American Medical Colleges, and other provider groups. In addition, CMS proposes to expand the list of hospital-acquired conditions that it believes could be prevented with proper care and for which it will not reimburse hospitals at a higher diagnosis-related group (DRG) rate. In last year's IPPS final rule, CMS adopted eight conditions for this policy and in the proposed rule, CMS seeks comments on additional conditions in the areas of surgical site infections following total knee replacement, laparoscopic gastric bypass surgery and gastroenterostomy, and ligation and stripping of varicose veins.

Other major provisions of the proposed rule are described below.

Discharges to Home Health: Hospital discharges to post-acute care settings are reimbursed as transfer cases—that is, they do not receive the full DRG payment if the discharge occurs prior to the mean length of stay minus one day. This "post-acute care

transfer" policy currently applies to patients for whom home care services are provided within three days of discharge. For FY 2009, CMS proposes to extend the policy to cover patients for whom home care services are provided within seven days. CMS estimates that this proposal would cut payments to hospitals by \$50 million this year and \$330 million over five years. CMS did not propose any changes to the list of Medicare Severity DRGs to which the post-acute care transfer policy applies.

Geographic Reclassification: CMS proposed to modify the criteria for geographic reclassification beginning with applications for reclassification for FY 2010. Currently, an urban hospital seeking to reclassify into another core-based statistical area (CBSA) must have an average hourly wage rate that is at least 108% of the wage rate in the area in which it is located and at least 86% of the wage rate in the area to which it would reclassify. (A CBSA is a geographic entity defined by the U.S. Office of Management and Budget for use by Federal statistics agencies to collect, tabulate, and publish Federal statistics.) CMS proposes to increase the latter threshold to 88%.

Capital: As proposed last year, CMS will begin phasing out the indirect medical education adjustment under the capital prospective payment system, cutting payments by 50% in FY 2009 and eliminating them completely in FY 2010. ■

Upcoming GNYHA Member Briefings

NIMS Happens! Real Responses to Real Events in Hospitals Using the National Incident Management System

Date: Thursday, May 15, 2008

Time: Registration, 1:30 p.m.; Program, 2:00 p.m.–5:00 p.m.

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

GNYHA and the NYC Department of Health and Mental Hygiene (DOHMH) will hold a joint meeting of GNYHA's Emergency Preparedness Coordinating Council and DOHMH's Emergency Preparedness Coordinators, which is intended to provide GNYHA members, wherever located, with practical approaches to complying with the

National Incident Management System (NIMS). Representatives from four GNYHA member hospitals will present information regarding how NIMS has played an integral role in their response to real events and the needs experienced by their hospitals. For more information, contact Doris R. Varlese. To register, e-mail Laurie Sangirardi at sangirardi@gnyha.org.

Establishing Medical Necessity for Short-Stay Admissions

Date: Tuesday, May 20, 2008

Time: 9:30 a.m.–1:30 p.m.

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

This informational briefing will examine the

reimbursement implications and potential compliance risks associated with determining medical necessity for short-stay admissions. To help hospital staff address this pressing need, featured presenters will offer practical information about identifying the correct admission status and share pertinent case study experiences. Hospital staff from Utilization/Case Management, Finance, Patient Access, Compliance, and related departments are encouraged to participate. GNYHA members should register on-line at www.gnyha.org/short_stay; please designate either in-person or remote participation. For more information, contact Lillian Forgacs at forgacs@gnyha.org, and for administrative questions, contact Theresa Simon at simon@gnyha.org. ■

Governor David Paterson Speaks at GNYHA Annual Meeting *continued from page 1*



GNYHA President Kenneth E. Raske discussing the impact of the national economy on member hospitals.



Governor David A. Paterson talking to members about the need to reform medical malpractice policies.

California, which uses a “one size fits all” approach to health care. In that effort, he said, he appreciates that GNYHA and its members are working with his Administration to find solutions to the many challenges we face. The Governor also detailed specific areas of concern, including the physician shortage in New York, which the “Doctors Across New York” program is addressing, and making health care affordable and accessible for all.

Notably, the Governor emphasized that medical malpractice is a priority concern that must be addressed. “It’s not helping physicians, it’s not helping patients, it’s not helping providers, and it’s not helping anyone to continue the system that we have now,” he said, noting that Superintendent Dinallo and Commissioner Daines have been asked to work on the issue and develop recommendations. “There obviously is no solution to this problem that will not require tough choices,” he said, “but . . . we are going to have to make tough choices in that regard.” He added that he is committed to continuing to assist New Yorkers by “taking a new look” at how our health care system can have an impact on individuals.

Turning to the downturn in the national economy, Governor Paterson warned of its impact on our ability to provide health care and the need to address that growing crisis without making the mistake of putting all our resources into current problems and reserving nothing for the future. We can, he emphasized, provide decent and affordable health care to New Yorkers and improve our public health programs in only one way—by cooperating and collaborating to bring separate forces together and create a new



GNYHA 2007–08 Board Chair Gary S. Horan.

paradigm in health care.

Business Meeting: GNYHA Chair Gary S. Horan, F.A.C.H.E., Trinitas Hospital, presided. The membership approved the following slate of individuals to serve on the Board of Governors and as officers for the Association year 2008–09: Chair, James Foy, St. John’s Riverside Hospital; Chair-Elect, Linda Brady, M.D., Kingsbrook Jewish Medical Center; Vice Chair, Alan Aviles, New York City Health and Hospitals Corporation; Vice Chair, Pamela S. Brier, Maimonides Medical Center; Vice Chair, Long Term Care, Audrey Weiner, D.S.W., The Jewish Home and Hospital Lifecare System; Secretary, James Harden, Catholic Health Services of Long Island; Treasurer, Robert Grossman, M.D., NYU Langone Medical Center; Assistant Secretary, Steven Safyer, M.D., Montefiore Medical Center; Assistant Treasurer, James Kaskie, Kaleida Health; Immediate Past Chair, Gary S. Horan, Trinitas Hospital; Past Chairs Kenneth L. Davis, M.D., The Mount Sinai Hospital; Michael Dowling, North Shore-Long Island Jewish Health System;

Herbert Pardes, M.D., New York-Presbyterian Hospital; and Stanley Brezenoff, Continuum Health Partners, Inc. In addition, Gladys George, Lenox Hill Hospital, and Mark J. Mundy, New York Methodist Hospital, were approved to serve as Past Chairs for so long as each of them remains employed in a board-eligible position, joining John R. Gunn, Memorial Hospital for Cancer and Allied Diseases, and David P. Rosen, Jamaica Hospital Medical Center, who were previously elected to that Past Chair position. Spencer Foreman, M.D., Montefiore Medical Center, holds the position of Chair Emeritus. The membership also elected the following individuals to serve on the Board in the Class of 2011: Henry Amoroso, Saint Vincent Catholic Medical Centers; Scott Cooper, M.D., St. Barnabas Hospital; Lynda Curtis, Bellevue Hospital Center; Gail Donovan, Continuum Health Partners, Inc.; Louis Shapiro, Hospital for Special Surgery; and Steven Strongwater, M.D., Stony Brook University Medical Center.

President’s Address: GNYHA President Kenneth E. Raske discussed the heightened imperative for hospitals to reduce their operating costs in the context of recession-driven revenue contraction. He began by addressing the faltering condition of the general economy, the relatively poor financial condition of New York hospitals, and the fiscal challenges facing New York State and the Federal government. He also highly praised top officials in the Paterson administration—and the Governor himself—for engaging in a cooperative and collegial process during this year’s budget debate. In

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CCLN Hosts Cardiac Care Educational Program

As part of its critical care educational series, the Critical Care Leadership Network (CCLN)—a joint initiative of GNYHA and the United Hospital Fund—hosted an all-day program on *Post-operative Care of the Cardiac Surgical Patient* on April 15. Nearly 200 physicians and nurses from close to 40 hospitals attended the program, which was designed to provide practical instruction on caring for post-cardiac surgery patients in the intensive care unit, as well as the preparation and transport of cardiac patients from community hospitals to those with cardiac surgery services. As with all the CCLN educational programs, the April 15 program featured clinical experts from GNYHA member hospitals.

The goal of the CCLN programs is to identify best practices and standardize critical care across the region as well as to highlight the depth of critical care expertise in the region, while leveraging the region's collective resources to train and develop hospital critical care staff. The lead faculty for this program included Robert Sladen, M.D. from NewYork-Presbyterian

Hospital/Columbia University Medical Center and Vladimir Kvetan, M.D. from Montefiore Medical Center. Drs. Sladen and Kvetan, along with their colleagues from NewYork-Presbyterian and Montefiore, also contributed their time and expertise to design and execute the program.

The program sessions included a review of the current literature on medical cardiac intensive care, as well as perioperative management of patients undergoing cardiac surgery, including physiology, pharmacology, and cardiac support technologies. Attendees were also provided with hands-on exposure to technology and cardiac devices, and discussed a number of case studies with the expert faculty.

The next program in the critical care series will take place on June 17, 2008, at the GNYHA Conference Center and will look at specialty critical care in the non-specialty setting, with a specific focus on post-surgical care and burn care. Critical care specialists interested in participating in any CCLN programs should contact Terri Straub or Zeynep Sumer at GNYHA for more information. ■

NYS Convenes Expert Council on Pain Management and End-of-Life Care; GNYHA Appointed

GNYHA has been appointed to the New York State Palliative Care Education and Training Council, which held its first meeting on April 18 at the NYS Department of Health (DOH) office in New York City. This expert panel will develop guidance and advise the NYS Commissioner of Health on best practices in pain management and end-of-life care. The Council will also consider grants for palliative care curricula and establish criteria for designating Centers for Palliative Care Excellence and Palliative Care Practitioner

Resource Centers.

The creation of the Council was provided for in the Palliative Care Education and Training Act as part of the 2007 State budget legislation. NYS Commissioner of Health Richard Daines, M.D. based his appointments to the Council on recommendations from health care professionals, consumers, medical institutions, and educational leaders. A press release with more information and a list of appointees is available at www.nyhealth.gov/press/releases/2008, under April 15, 2008. ■

House Passes Medicaid Moratorium Bill; Administration Threatens Veto *continued from page 1*

John Dingell (D-MI), would prevent the Centers for Medicare & Medicaid Services from implementing seven Medicaid regulations that have been proposed or finalized since last year, including regulations to eliminate funding for graduate medical education (GME) costs, curtail funding for public providers, restrict the ability of states to raise funds for the Medicaid programs through taxes on providers, and cut funding for hospital outpatient services. The current statutory moratorium on implementation of the GME and public provider regulations expires on May 25, 2008. GNYHA and its allies—1199 SEIU United Healthcare Workers East, the American Hospital Association, the Healthcare Association of New York State, and others—strongly support this legislation. If the proposed regulations were to take effect, teaching and public hospitals across the country would lose billions of dollars annually in Federal Medicaid revenue. GNYHA's letter of support and a print advertisement sponsored by the GNYHA and 1199 SEIU Healthcare Education Project are available on GNYHA's Web site at www.gnyha.org. GNYHA is deeply grateful to all the members of the tri-state area who co-sponsored and voted for the bill, including Congressman Eliot Engel (D-NY), whose earlier bill laid the groundwork for H.R. 5613.

Next Steps: The Senate is expected to consider H.R. 5613 this week. Unfortunately, on April 22, the Bush Administration issued a "Statement of Administration Policy" in which it expressed strong opposition to H.R. 5613 and stated that "if the legislation were presented to the President in its present form, his senior advisers would recommend that he veto the bill." GNYHA will continue to work to ensure that H.R. 5613 is enacted into law before May 25, when the current moratoria on the GME and public provider regulations expire. ■

GNYHA Annual Meeting

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the second part of his address, Mr. Raske said that, rather than cutting services in response to revenue contraction, hospitals could cut costs by improving quality and efficiency, and that GNYHA invests most of its resources in operations support activities, although the organization is much better known for its advocacy. To elaborate, Mr. Raske described numerous projects and services in seven domains of GNYHA activity: quality and patient safety; workforce development; compliance, which today encompasses all facets of organizational excellence; data and analysis; clinical and administrative process improvement; supply chain management; and electronic information exchange. Finally, Mr. Raske described GNYHA's goals for the coming year and beyond, which center on capital formation, obtaining medical malpractice insurance relief, and achieving universal health insurance coverage.

Panel Discussion: The panel discussion, "Subtle Influences: Conflicts of Interest in Health Care," was moderated by GNYHA Ventures President Lee Perlman, who also delivered an update on the status of GNYHA's business subsidiaries. Panel speaker Susan Chimonas, Ph.D., Co-Director of Research, Center on Medicine as a Profession, described her research on the relationship between medical professionals and health care supply vendors and recommended core principles that academic medical centers can enforce to ensure that appropriate boundaries are established between physicians and suppliers. Shahram Ahari, Biological Disaster Preparedness Researcher, University of California-San Francisco School of Pharmacy, and Consultant to *PharmedOut*, Georgetown University, addressed the ways in which vendors are trained to interact with physicians so as to maximize their sales and the need for the medical community to



Elaine Berg, F.A.C.H.E., President and CEO, New York Organ Donor Network.



Ann Rhoades, President, People Ink and Acting CEO/Co-founder, CareLeaders Corporation.

distance itself from questionable physician-vendor relationships. Maria Woods, Director, Ethics and Compliance, Novartis Pharmaceutical Corporation, offered the supplier's perspective, noting that the physician-vendor relationship is two-sided and



The four panelists discussing "Subtle Influences: Conflicts of Interest in Health Care."

that, as such, both parties need to come together to make sure that they are interacting professionally to address and manage conflicts of interest. Kathleen Yaremchuk, M.D., Vice President, Office of Clinical Practice Performance and Interim Chair of Otolaryngology-Head and Neck Surgery, Henry Ford Health System, described the System's revamped vendor compliance policy, which was developed with representatives from corporate compliance to address patient safety, confidentiality, and conflict-of-interest issues. A question-and-answer session followed the presentations.

Special Remarks: Elaine Berg, President and CEO of the New York Organ Donor Network (NYODN), discussed the need for organs and tissues, why donation is important to every hospital, and how hospitals can work with NYODN to save lives through donation. She noted the disproportionate need for organs in NYS, with New Yorkers making up 9% of those waiting for organs nationally, and she called for the commitment of health care leadership in helping to increase the number of individuals in their hospitals who consent to donate organs and tissues.

Special Presentation: Ann Rhoades, a former Executive Vice President at Jet Blue Airways and currently CEO of People Ink and Co-founder/Acting CEO of Careleaders Corporation, discussed strategies for revitalizing the culture and workforce of hospitals. She described a model for improvement based on leadership determining its organization's values, hiring employees who mirror those values, continually exceeding expectations, being "excessive" about the quality of care that patients receive, and creating a disciplined and consistent "culture of excellence." ■