



# Progress Notes

August, 2017

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## Congress Returns: Faces Daunting Agenda

Congress returns from its August recess on September 5, 2017 and will face several pressing issues. These include the debt ceiling, re-authorization for the Children's Health Insurance Program (CHIP), funding to keep the government running to avoid a shutdown and now, more recently, funding related to the devastation caused by Hurricane Harvey in Texas.

Decisions made by lawmakers and the White House will touch all communities and, in most cases, the fallout could be disastrous for hospitals and millions of Americans. First up are bi-partisan hearings, beginning September 4 and led by Senators Lamar Alexander and Patty Murray (Health, Education, Labor and Pensions Committee), to address insurance marketplace stabilization, cost-sharing reduction payments to insurers, and the continuation of the Children's Health Insurance Program (CHIP). Authorization of CHIP expires September 30.

Cost-sharing subsidies sent directly to insurers, authorized by the Affordable Care Act (ACA), help low-income Americans afford their insurance. In New York, 700,000 people depend on this assistance. President Trump has offered no assurance that these subsidies will continue, which is why legislation is needed to ensure the subsidies flow each month and markets are stabilized. In response to the instability, insurers are threatening to abandon the market altogether and/or to excessively raise premiums to guard against the unknown. A recent Congressional Budget Office (CBO) analysis, commissioned by congressional Democrats, found that if cost sharing subsidies are eliminated the federal deficit would increase by \$194 billion over 10 years and health insurance premiums for silver plans would increase by an average of 20 percent next year.

On September 30, funding for operations of the federal government expires; a decision about raising the nation's debt ceiling must occur by September 29 in order to avoid default on the federal debt. When legislators return from their August recess, they have only 12 legislative days to tackle these pressing issues.

Meanwhile, the desire to forward legislation to repeal/replace the ACA lives on. Plans that favor block-granting Medicaid to the states remain active. States would receive a capped pot of money to care for their Medicaid beneficiaries, regardless of enrollment surges and routine rising costs to provide healthcare services. A block grant program would also leave New York State with a gaping budget hole, as Medicaid is currently a federal/state supported program. This could result in payment reductions to hospitals and other healthcare providers, curtailment of covered services, and more stringent eligibility thresholds. The state could also decide to raise taxes on businesses and individuals or set in motion some other fee assessment in order to close the budget gap.

The Problem Solvers Caucus, a bipartisan group of about 40 House members, offered a proposal aimed at ensuring that cost-sharing subsidies are paid and markets are stabilized. It also suggests the employer mandate apply to employers with 500 or more employees, as opposed to the current law's minimum of 50. Most worrisome with this plan, says Suburban Hospital Alliance president/CEO Kevin Dahill, is the suggestion to cut payments to providers to pay for the proposed changes. This would follow on the heels of a planned October 1, 2017 cut in Medicare Disproportionate Share Hospital (DSH) payments to hospitals that serve a high percentage of Medicaid and uninsured patients. The loss to New York hospitals over the next 10 years is \$5.2 billion. DSH payments

help cover the cost of care at hospitals that serve a disproportionate number of indigent and uninsured. “With the uncertainty of the ACA’s future and continued expansion of coverage for the uninsured, these cuts effectively strike hospitals twice,” said Dahill.

## Insurance Rates Announced for 2018; Marketplace Readies for Next Enrollment Season

*Average premium increase for individuals, 14.5%*

*Average premium increase for small group market, 9.3%*

The New York State Department of Financial Services (DFS) recently announced the 2018 health insurance rates for New York’s individual and small group markets. DFS reduced insurers’ requested 2018 rate increases by more than 3.8 percent overall for individuals. According to DFS, the overall average 2018 cost of coverage for individuals who purchase the lowest-cost silver level plans on New York State of Health marketplace will decrease nearly five percent compared to 2017 rates, once federal tax credits are applied. For small group plans, DFS reduced insurers’ requested 2018 rate increases by 2.4 percent.

New York’s health insurance marketplace continues to offer a competitive array of health plans for both the individual and small group markets in the Nassau and Suffolk regions, as well as in counties in the Hudson Valley region. New York State, in general, has not been plagued by a paucity of insurers in any particular county, as has occurred in other parts of the country.

However, the market did endure the exit of Health Republic in late 2015 due to the insurer’s insolvency. In April 2016, the state’s superintendent of DFS commenced liquidation proceedings. New York’s hospitals are owed about \$200,000 million in outstanding claims, and it is unclear how much, if any, of those claims will be paid via the liquidation process. Hospitals on Long Island and in the Hudson Valley were disproportionately hit by the demise of Health Republic, as nearly 70 percent of the insurer’s customers resided in these two regions.

Similarly, DFS will not allow Affinity Health Plan to offer products on the marketplace in 2018 due to what it says are insufficient reserves – the cause of Health Republic’s downfall. In addition, CareConnect, the Northwell Health-owned insurer, recently announced its decision to withdraw from New York’s marketplace. The provider-owned insurer, the first of its kind in New York State, will wind down operations during 2018 while it submits a withdrawal plan to DFS. CareConnect cited the failure of the federal government to correct regulatory flaws, including the risk adjustment program, as a driver in the decision.

## Healthcare Voices

Healthcare Voices is a campaign spearheaded by the Nassau-Suffolk Hospital Council to highlight the stories about New Yorkers’ experiences with the health insurance marketplace, coverage issues, and healthcare access. The Hospital Council is also a state-certified navigator agency and is in a unique position to interact with New Yorkers who are seeking health insurance coverage. The campaign is bringing attention to these otherwise unheard voices through social media, traditional media channels, and through conversations with legislators.

Recently widowed, Ruth Zaporta, who is now raising her school-aged children by herself, learned she had breast cancer soon after obtaining affordable coverage through the Affordable Care Act. Zaporta says without the coverage, she would never have seen the doctor who diagnosed her cancer. According to Zaporta, the insurance saved her life. Read more about Ruth’s story and other stories at [Healthcare Voices](#).



## Suburban Alliance Offers Utility Audit Services

The Suburban Hospital Alliance of New York State is pleased to announce that it has established a preferred vendor relationship with National Auditing Services Consulting (NASC). NASC specializes in conducting forensic audits of utility bills (including electricity, gas, water, sewage, and telecommunications) to uncover past billing errors. The firm then engages with the utility companies and acts on behalf of the client to recoup refunds going back three to five years and establish appropriate billing and tax assessments for your future bills.

For hospitals and health systems, the exposure for these mistakes is often quite high. NASC has a solid track record, in many cases in procuring five- to seven-figure refunds for their hospital clients.

The process is simple: it only involves signing and submitting a one-page agreement, along with a recent full copy (all pages, even blank ones) of an invoice for each of the services you want explored. At minimum, it’s recommended that electricity refund opportunities be explored by every hospital. NASC then retrieves all of the additional information it needs directly from the utility or telecommunications company. It requires minimal effort on the part of your staff.

Finally, NASC works on a contingency-fee basis only. There's no risk involved – if no refunds are obtained then no fees will be incurred. NSHC has worked out a discounted pricing structure for members. Our representative at NASC, Michael Macchi, may be reached at [mmacchi@nascaudits.com](mailto:mmacchi@nascaudits.com) or at 203-854-8503 x3007 to answer any questions you may have.

## News Briefs

**Hospitals Helping Hospitals** – Hurricane Harvey has left a path of human and physical destruction in the Houston, Texas region. The Texas Hospital Association has established the Texas Hospital Association Hospital Employee Assistance Fund to help hospital employees who experienced significant property loss or damage because of Hurricane Harvey. The Healthcare Association of New York State has contributed to this fund. Those wishing to make a donation can do so by going to [www.tha.org/harvey/relieffund](http://www.tha.org/harvey/relieffund).

**Legality of Cost Sharing Subsidies** – A coalition of 16 state attorneys and the District of Columbia attorney, led by New York Attorney General Eric Schneiderman and California Attorney General Xavier Becerra, were granted a motion by the U.S. Court of Appeals for the DC Circuit to intervene in the House of Representatives v. Price case that challenges the legality of cost-sharing subsidies under the ACA. The case began under the Obama administration. The decision does not mean that the administration is barred from ending the CSR payments, but if the CSR payments are stopped, the states can sue to require that the payments be made. The state attorneys adequately demonstrated their states “would suffer concrete injury.”

**Health Tech '17** – Westchester County Association is hosting their annual Health Tech conference on October 12 at the Doubletree Hotel in Tarrytown, NY. Keynote speakers include HANYS President Beatrice Grause, explaining New York's landscape in light of market trends and recent significant federal and state changes. For more information and tickets, visit [www.healthtechwca.com](http://www.healthtechwca.com).

**First 1000 Days** – The New York State Department of Health recently unveiled its First 1000 Days on Medicaid campaign. The initiative aims to improve access to health and social services for children during their first three years. Approximately 59 percent of children in New York between birth and three years of age are covered by Medicaid, giving the state a unique opportunity to address social and economic factors that can impact lifelong health.

**Regulatory Modernization Initiative** – The New York State Department of Health is convening a series of policy workshops called the Regulatory Modernization Initiative to examine existing health-related laws, regulations, and policies, and to recommend appropriate changes. The initiative is a result of the statewide “listening sessions” with hospitals and health systems that the Healthcare Association of New York State collaborated on with the Department of Health in November 2016. The first post-acute care management workgroup met August 9, 2017. Common themes discussed included the need for flexible regulations to allow new models of care to function effectively and the approval and implementation of regulatory waivers. Communication gaps between settings and practitioners and the lack of telehealth and information technology access statewide were also noted.

**Bundled Payment Programs** – The Centers for Medicare and Medicaid Services (CMS) recently issued a proposed rule changing the agency's position regarding bundled payment programs. Proposed rule changes affect voluntary vs. non-voluntary participation, geographic reach, and newer bundled models. Comments on the proposal are due to CMS by October 16, 2017.

**Healthcare Auxilian Institute** – The 51st Annual Institute for Healthcare Auxilians and Volunteer Leaders takes place October 25-26, 2017 in Saratoga. Learn about the latest policy and environmental trends impacting hospitals and health systems. The institute is sponsored by the Healthcare Association of New York State. Online registration is now available.



News from the  
**Hudson Valley**

[Click here for Northern Metropolitan Hospital Association member listing](#)

**Critical Access** – *Catskill Regional Medical Center's* Grover M. Hermann Hospital in Callicoon, New York was recently named one of the Top 20 Critical Access Hospitals (CAHs) in the country for Quality, by the National Rural Health Association. Grover M. Hermann Hospital scored best among critical access hospitals on iVantage Health Analytics' Hospital Strength Index™.

**Wireless Innovation** – Via an innovation partnership with Mindray Medical, *Ellenville Regional Hospital* has expanded wireless monitoring coverage of admitted patients across the entire facility. In exchange for providing clinical insight and performance feedback on newly released central monitoring applications, Mindray has extended wireless coverage to encompass the entire facility, allowing patient's vital signs to be remotely monitored at a centralized nursing station while being transported between departments, ambulating on the general care ward to speed recovery, and even within the main hallway of the hospital.

**EMS Recognition** – The Emergency Department nursing team and a veteran trauma surgeon at *MidHudson Regional Hospital* were recognized for extraordinary medical excellence by the Dutchess County Emergency Medical Services (EMS) Council. The honors came two months after MidHudson Regional passed a rigorous, peer-review process by the American College of Surgeons (ACS), which verified the hospital's George T. Whalen Family Trauma Center with Level II status.

**Auxiliary Donation** – HealthAlliance Foundation board Chairman Richard A. Mantey, Kingston Auxiliary President Darlene Bover, and foundation Executive Director Steffen T. Kraehmer present a check in the amount of \$130,074 to HealthAlliance President and CEO David Scarpino and Chief Medical Officer Dr. Paul Llobet. The donation allowed HealthAlliance, a member of the Westchester Medical Center Health Network, to purchase eight telemedicine units. The units transmit patients' vital signs, medication data, blood-test results, X-rays and other pertinent information from bedside monitors to off-site clinicians through WMCHHealth's secure eHealth service. The technology also connects HealthAlliance patients by a live video feed to off-site neurological, psychiatric, intensive care, trauma and other specialists who consult with HealthAlliance physicians, nurses and other clinicians and assist with diagnoses and treatments.



If you have news to share about your hospital's achievements, please send to Janine Logan at [jlogan@normet.org](mailto:jlogan@normet.org).



News from  
**Long Island**

Click here for Nassau-Suffolk Hospital Council member listing

**Meeting the Triple Aim** – Highlighted this month in the HANYS Innovation Spotlight for meeting the Triple Aim was *St. Joseph Hospital* for an analysis of clinical alarms for one of their telemetry units, resulting in improvements in alarm generation and quietness of environment—without jeopardizing patient care—measured by the number of transfers to a high level of care. Read more about it at [www.hanys.org/tripleaim](http://www.hanys.org/tripleaim).

**LeadingAge Award** - Paul Connor, vice chairman of Peconic Landing's board of trustees and president and CEO of Eastern Long Island Hospital, was honored with the 2017 Trustee of the Year Award from LeadingAge New York, a not-for-profit advocacy group representing more than 600 retirement communities throughout the state. The award recognizes those who "served unselfishly and with distinction, devoting significant contributions of time and effort toward the betterment of his or her organization or service to seniors," according to LeadingAge New York.

**Trauma Designation** – The *Nassau University Medical Center* trauma center has been verified as a Level I Trauma Center by the Verification Review Committee (VRC), an ad hoc committee of the Committee on Trauma (COT) of the American College of Surgeons (ACS). The Level I trauma designation, the highest possible designation, is in effect for a period of three years through June 9, 2020.

**Culturally Competent Training** – The *Nassau-Suffolk Hospital Council's* Population Health Improvement Program grant now offers hospital members the opportunity for a free Cultural Competency/Health Literacy training program. Pascale Fils-Aime, the PHIP Community Engagement Assistant, recently became a Master Facilitator, and is certified to teach the regionally aligned CCHL curriculum - developed together with the PHIP and the region's two DSRIP Performing Provider



Systems – to front-line staffers of health and human service organizations. The CCHL interactive workshop explores key concepts of the social determinants of health, health literacy, and cultural competency, with a focus on Long Island communities and populations. To inquire about the training, please contact Ms. Fils-Aime as [pfilsaime@nshc.org](mailto:pfilsaime@nshc.org).

**U.S. News & World Ranking** – For the 11th consecutive year, *St. Francis, The Heart Center®*, has been recognized by U.S. News & World Report as among the Best Hospitals in the nation for Cardiology & Heart Surgery. The hospital was ranked the best hospital on Long Island for the fifth year in a row, coming in at 5th in New York State and 6th in the New York metro area. The hospital was also ranked for 2017–2018 among the best in the country for Gastroenterology & GI Surgery, receiving the only national recognition in adult specialties for any hospital on Long Island, while CHS's Good Samaritan Hospital Medical Center was rated high performing for two procedures/conditions: colon cancer surgery and heart failure.

**Merger** – Last month, *Southampton Hospital* officially merged with *Stony Brook Medicine*, and as a member of the Stony Brook Medicine health system will be known as Stony Brook Southampton Hospital.

**Merger Pt. 2** – Also last month, the Board of Directors of *John T. Mather Memorial Hospital* entered into a letter of intent to join *Northwell Health*, "as part of a long-term strategy to ensure advanced healthcare for Mather's communities and the future growth of the hospital." Final approvals may be complete before the end of 2017.

**Healthcare Reform Debate Touches Business Industry** - Suburban Hospital Alliance of New York State President/CEO, Kevin Dahill, along with Long Island Association chief economist Dr. John Rizzo, offered a frank and open discussion about the vulnerabilities businesses and individuals face in light of Washington's current healthcare reform debate. They addressed members of the Long Island Association's Health, Education, and Not-for-Profit Committee at the committee's July 19, 2017 meeting in Melville, New York.

Reductions to the Medicaid program could have repercussions for businesses because Medicaid is a federal/state program. Loss of federal dollars means a large budget hole for New York State. That gap has to be closed and the state could resort to imposing more fees and/or taxes on businesses and individuals. Additionally, more uninsured will end up in costly emergency rooms for routine care, shifting costs to everyone else via increased premiums.

Currently, 3.7 million New Yorkers are insured through the Affordable Care Act. About two-thirds are covered by Medicaid.

IN PHOTO, FROM LEFT, Kevin Dahill, President/CEO of the Suburban Hospital Alliance of New York State and Dr. John Rizzo, Chief Economist for the Long Island Association.



If you have news to share about your hospital's achievements, please send to Janine Logan at [jlogan@nshc.org](mailto:jlogan@nshc.org)

## Committee Updates

**Nurse Executive Committee:** At their July 19th meeting, members heard from the Care Logistics team on how the company helps hospitals improve patient throughput and satisfaction. Staff from the Northport VA presented on veterans benefits and eligibility as well as programs and initiatives currently offered at the medical center. Hospital Council staff provided updates on state regulatory changes, the recent *C. auris* outbreak, and a recent announcement from the NYSDOH regarding its plan to review peri-natal care designations. Members and Hospital Council staff discussed recent survey activity including The Joint Commission's recent focus on ligature risks.

**Revenue Cycle Committee:** At the July 21st meeting of the NSHC Revenue Cycle Committee, members were provided updates on ACA repeal and replacement efforts including discussion related to the AHCA and BRCA, recent market stabilization laws and the response by New York State regulators. Hospital Council staff discussed managed care bills that were closely monitored during the legislative session and provided audit updates. Members discussed ongoing communication issues with payers and new trends in claim denials.

**Corporate Compliance Committee:** On August 8th, the Corporate Compliance Committee met at the Hospital Council where staff provided members with federal audit updates, and discussed renewed efforts on behalf of CMS to more closely examine related claims. Members were briefed on changes to the ALJ process and on recent civil monetary penalty cases

that resulted in significant fines for EMTALA violations among behavioral health patients. Issues with “cloning” notes in the EHR and new home care face-to-face encounter requirements were also discussed.

**Quality Committee:** At the August 23rd meeting of the NSHC Quality Committee, members heard a presentation from Dr. Colin Brathwaite, Director of Anesthesiology at NYU Winthrop hospital on the organizations Enhanced Recovery After Colorectal Surgery Initiative. Christina Miller-Foster, Senior Director of Quality and Research Initiatives at HANYS provided updates on the Inpatient Prospective Payment System Final Rule and the Outpatient Prospective Payment System Proposed Rule. Hospital Council staff discussed the NYSDOH’s plan to review peri-natal care designations and recent civil monetary penalty cases that penalized hospitals for EMTALA violations related to the way they provided care to mentally ill patients.

## Upcoming Events

### **[The Academy for Healthcare Leadership Advancement](#)**

**A seven-week Cornell certificate program**

Sep. 24 - 26 (at Cornell University)

Oct. 3 - Nov. 1 (6 virtual sessions)

Nov. 12 - 14 (at Cornell University)

For questions, contact Cathy Oxentine, Office Manager, HANYS Solutions, at (800) 388-9821.

[Registration now available.](#)