



Progress Notes

November, 2017

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While Government Shut Down Looms, Tax Reform Moves Forward

A shut down of the federal government is possible come December 8, 2017, if Congress and the White House do not agree upon a deal to keep the government funded. But before that deadline, the Senate says it will hold a vote on its proposed tax reform plan that contains, among other measures, a directive to repeal the Affordable Care Act's individual mandate. That provision alone increases the number of uninsured Americans by four million in 2019 and 13 million by 2027, five million of whom would be Medicaid beneficiaries. The House passed its version before the Thanksgiving recess. On November 29, 2017, the Senate voted to begin consideration of its bill on the Senate floor. When passage by the Senate is achieved, either the House will have to accept the Senate version of the bill or the two chambers will have to negotiate a compromise bill, which will then need to be passed by each body.

The House and Senate tax reform plans pose problems for non-profit hospitals in ways that might not be obvious to the general population. These concerns filter down to every community and every patient, as the delivery of care is impacted.

- The House plan eliminates the exemption for tax-exempt bonds, which allows investors to avoid paying income tax on the interest income they receive. Without this exemption, such bonds are not attractive to investors. Non-profit hospitals use tax-exempt bonds to raise capital for needed infrastructure and technology upgrades. Hospital buildings in New York are some of the oldest in the nation. Without access to this affordable financing mechanism, upgrades and major new construction projects are rendered unaffordable. This impacts local communities because hospitals are attractive assets, sources of jobs, and offer ripple-effect economic opportunity.
- A similar concern surrounds charitable deductions to hospitals. While neither the House nor Senate versions eliminate the charitable deduction for individuals who itemize taxes, the doubling of the standard deduction, as proposed by the plans, removes the incentive for charitable giving. Hospitals rely heavily on donations to fund major capital projects, such as the construction of specialized treatment wings and purchase of cutting-edge diagnostic medical equipment.
- The House bill eliminates the deduction for medical expenses exceeding 10 percent of income; those incurring long-term care expenses are especially hard hit.
- In addition to increasing the number of uninsured, the removal of the individual mandate in the Senate bill will affect those with insurance. The Congressional Budget Office (CBO) estimates that insurance premiums in the individual market would increase by about 10 percent in most years over the next decade. Additionally, with more uninsured, those with insurance – whether purchased independently or provided by an employer – would see their premiums rise as they unknowingly offset society's expenditures for treating the uninsured.
- Both tax cut plans swell the nation's debt by \$1.5 trillion. This places pressure on lawmakers to find ways to chip away at debt. Medicare and Medicaid are likely targets. This is especially troublesome at a time when baby boomers are entering retirement in unprecedented numbers – about 500,000 are added to the Medicare rolls each week. The Senate Republican budget resolution calls for \$5 trillion in spending cuts over a decade, including \$473 billion in cuts to Medicare and \$1 trillion in cuts to Medicaid.

The Senate can only lose two Republican votes to ensure passage under the reconciliation process that the chamber is using to fast-track the legislation. Congress remains optimistic that it can deliver a tax reform bill to the president by Christmas.

INSURANCE ENROLLMENT BEGINS AMID OTHER LEGISLATIVE UNCERTAINTIES

Open enrollment for individuals wishing to purchase health insurance under the Affordable Care Act (ACA) exchanges began November 1, 2017, despite the fact that several key health insurance issues remain unresolved, including re-authorization of the Children's Health Insurance Program (CHIP) funding and legislation to continue cost-sharing reduction payments (CSR). And Congress' passage of a 2018 budget resolution leaves the door open to more Medicaid and Medicare cuts as the legislative body works to overhaul the nation's tax code through the fast-tracked reconciliation process. The Medicare and Medicaid programs remain likely targets as funding mechanisms for the tax cuts.

CHIP LEGISLATION

Funding for CHIP expired September 30, 2017. New York State can fund the program through the end of the year. Without re-authorization, nearly 300,000 children in the state could lose insurance, including 99,119 children in the nine counties located throughout the Suburban Hospital Alliance of New York State regions. There is a bi-partisan agreement to fund CHIP for five years, but the legislation is stalled.

CSR PAYMENTS

The Trump administration halted the cost-sharing reduction payments made to insurers selling on the health insurance exchanges on October 12, 2017. These payments help low-income Americans afford their co-payments and deductibles. The permanent loss of CSR payments means New York would lose \$900 million in funding for the state's Essential Health Plan. The Essential Plan is available to low-income New Yorkers who earn too much to qualify for Medicaid, but not enough to afford commercial insurance products sold on the exchange. Last year, 136,324 individuals in the nine Suburban Hospital Alliance counties purchased an Essential Plan from New York's marketplace, with about 60 percent of enrollees residing in Nassau and Suffolk counties.

Bi-partisan insurance market stabilization legislation that was introduced by Senators Lamar Alexander and Patty Murray would guarantee cost-sharing reduction payments for two years, in addition to other changes aimed at stabilizing the insurance markets. The Trump administration has wavered on its support of this legislation, and activity on the bi-partisan bill has stalled in the wake of Congress' efforts to overhaul the nation's tax code and laws.

However, regarding the CSR Payments, many insurers factored premium increases into their silver plan offerings for 2018 to guard against the financial impact of lost CSR payments. Advance premium tax credits, which are paid to low-income Americans to help them afford their monthly premiums, rise dollar-for-dollar with silver premium rates and should protect low-income Americans from steep premium rate hikes. Middle and higher-income Americans would feel the brunt of the premium increases because the tax credits phase out at higher income levels. Ironically, the federal government could find itself spending more on advance premium tax credits than it saves by eliminating CSR payments. According to a Kaiser Family Foundation study, 84 percent of marketplace enrollees received premium tax credits in 2017.

It is important for [legislators](#) to hear directly from their constituents regarding the above legislative priorities, as patients' lives and hospital employees' lives are affected.

Insurance Marketplace Opens for Business

Individuals may enroll through January 31, 2018

Enroll online, by phone, or in-person with the assistance of a certified navigator.

Visit www.coverage4healthcare.org for a listing of enrollment sites throughout Nassau and Suffolk counties, or call 631-656-9783.

You can also visit the New State of Health's Official Health Plan Marketplace at www.nystateofhealth.ny.gov or call the state's toll-free number, 855-355-5777.

On Long Island, the Suburban Hospital Alliance regional affiliate the Nassau-Suffolk Hospital Council is one of three state-appointed navigator agencies for the region. The Hospital Council maintains a user-friendly, bilingual website – www.coverage4healthcare.org - that lists enrollment sites and dates and other helpful information.

In the Westchester and Hudson Valley area, state certified navigator agencies are: Community Service Society of New York, Maternal Infant Services Network of Orange, Sullivan and Ulster Counties and the Westchester County and the Rockland County Departments of Health

New York's health insurance marketplace continues to offer a competitive array of health plans for the individual market 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.

REPRESENTATIVE KATHLEEN RICE HOSTS ENROLLMENT SESSIONS

Enrollers from the NSHC Enrollment Program will be onsite at four open enrollment events that Rep. Kathleen Rice's mobile office is holding in her legislative district in December and January. The NSHC's [enrollment website calendar](#) lists specific dates, times, and locations.

News Briefs

Suburban Hospital Alliance Fights 340B Cuts – The Suburban Hospital Alliance joined the Healthcare Association of New York State (HANYs) and all other New York regional hospital associations in an *Amicus* Brief in support of the American Hospital Association (AHA)'s lawsuit to prevent Medicare cuts to 340B hospitals from going into effect. The drastic cut would impact safety-net hospitals, in particular, and the communities they serve.

The nearly 30 percent reduction to Medicare Part B payments for certain drugs acquired through the 340B program was finalized by the Centers for Medicare and Medicaid Services in its the 2018 Outpatient Prospective Payment System (OPPS) rule and will take effect January 1, 2018, absent an injunction from the court or congressional action. A hearing has been set for December 21, 2017.

HANYs and the regional hospital associations are working to build support among the New York Delegation for [H.R. 4392](#), legislation introduced this month by Representatives David McKinley and Mike Thompson that would prevent the 340B cuts contained in the 2018 OPPS rule from taking effect. This legislation is budget neutral and would simply prohibit CMS from implementing the policy. Hospitals should [weigh in](#) with their representatives in support of this bill. HANYs' [340B Drug Pricing Program](#) white paper offers more information on the program.

NSHC Healthcare Voices Campaign Used by State for Outreach – The NSHC Healthcare Voices campaign features four Long Island and their stories about insurance loss and gain. The stories are heartwarming and heart rendering. The state health department recently reached out to the Hospital Council and inquired about featuring one of the story subjects – Ruth Zaporta - in digital spots. Ruth, a breast cancer survivor, widower, and single mom to two children, agreed to share her compelling story with the state in an effort to prompt others to enroll in affordable insurance offered through New York's marketplace.

Ruth first accessed insurance in 2015 through the NSHC insurance enrollment program, which is overseen by Stacy Villagran. Ruth credits the Affordable Care Act insurance offered by the New York State of Health marketplace with saving her life. And, it continues to allow her to see a hematologist and oncologist regularly. Read more about [Ruth's story](#).

Click on these links to view the digital spot, featuring Ruth, in both English and Spanish:

<https://info.nystateofhealth.ny.gov/4millionreasonsgroup2>

<https://info.nystateofhealth.ny.gov/4millionreasonsspanish1>

<https://info.nystateofhealth.ny.gov/4millionreasonsspanish2>

Another one of NSHC Healthcare Voices stories was featured in the New York State Navigator Program print newsletter. Tracy Baric, works but does not receive insurance from her employer, was denied Medicaid renewal because her household income increased due to her recent marriage. She knew she could not afford insurance and believed she would have to go without coverage. When she contacted her NSHC enroller, she learned that even with the combined income, she still fell within public insurance parameters and was able to purchase an Essential Plan. Once insured, she was able to resume vital medical testing. Read more about [Tracy's](#) story.



Spotlight on Quality

CMS Introduces “Patients over Paperwork” and “Meaningful Measures” Initiatives

By Kate McCale, Director of Quality and Membership Services, Nassau-Suffolk Hospital Council

In two separate public appearances, CMS administrator Seema Verma introduced new initiatives aimed at reducing the regulatory burden on healthcare providers and streamlining quality reporting requirements.

On October 26, Verma announced the launch of the “Patients over Paperwork” initiative through which the organization will examine current regulations for unnecessarily burdensome or duplicative rules and requirements that can be revised or eliminated. CMS officials hope that easing the regulatory burden will allow providers to spend more time on patient care and less time on administrative duties. In an effort to gather stakeholder feedback, CMS posted a formal request for information on its website. In addition, CMS officials will be traveling across the country to gather feedback in-person from healthcare providers.

On October 30, Verma attended the Healthcare Payment Learning and Action Network’s fall summit where she shared that under a new “Meaningful Measures” initiative, CMS would be re-examining their process for quality reporting across the board. The organization recognizes that providers are required to report on similar quality measures to a variety of payers. In many cases, measures designed to evaluate the same outcomes have slightly different methodologies forcing providers to spend additional time calculating the measures in slightly different ways. This is just one example of the burden reporting requirements impose outweighing the benefits. Verma has stated that CMS recognizes these and other inefficiencies will be reviewing quality reporting programs and measures with the goal of streamlining requirements and only utilizing measures that are meaningful and outcome-based.

On November 28, CMS hosted its first webinar on the Meaningful Measures initiative. During the thirty minute presentation, senior staff from the Quality Measurement and Value-Based Incentives Group (QMVBIG) shared the organization’s preliminary framework for quality measurement and quality improvement efforts going forward. Measures will be considered meaningful if they fall into one of 6 high priority areas including:

- Promote Effective Prevention and Treatment of Chronic Disease
- Work with Communities to Promote Best Practices of Healthy Living
- Make Care Affordable
- Make Care Safer by Reducing Harm Caused in the Delivery of Care
- Strengthen Person and Family Engagement as Partners in their Care
- Promote Effective Communication and Coordination of Care

Each priority area is further divided into two or more meaningful measure areas in which individual measures are categorized. The individual measures themselves have not yet fully been identified, but the group will be rolling them out in the months to come.



News from the
Hudson Valley

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

Meeting the Triple Aim – Highlighted this month in the HANYS Innovation Spotlight for meeting the Triple Aim was *White Plains Hospital*, for their initiation of the Breastfeeding Support Group, where new mothers can share their experiences and address a broad range of infant feeding issues, while increasing the proportion of babies who are breastfed and to reduce racial, ethnic, and economic disparities in breastfeeding rates. Read more about it at www.hanys.org/tripleaim.

NorMet/SHANYS CEO Recognized – Suburban Hospital Alliance of New York State CEO, Kevin Dahill, accepts the 2017 Leadership Award from the Westchester County Association (WCA). He received the award at the WCA's Fall Leadership Dinner held November 16, 2017, at the Westchester Marriott. From left: Amy Allen, Vice President of the Westchester County Association and Guy Liebler, President of Healthcare Development for Simone Development Companies. "We can always count on Kevin to easily explain the complexities of healthcare policy and put it all in proper perspective," said Allen. "The WCA is honored to bestow this award upon him."



Get With The Guidelines – Orange Regional Medical Center received the American Heart Association/American Stroke Association's Get With The Guidelines®-Stroke Gold Plus Quality Achievement Award with Target: StrokeSM Honor Roll Elite. The award recognizes the hospital's commitment to providing the most appropriate stroke treatment according to nationally recognized, research-based guidelines based on the latest scientific evidence.

AHA AWARD FOR COMMUNITY COLLABORATION – GET RECOGNIZED!

The American Hospital Association invites hospitals and health systems partnering with community organizations to help residents be healthier to apply for the AHA NOVA Award. Previous award recipients have organized a health and wellness alliance to fight childhood asthma, operated a mobile medical clinic to serve lower-income children, and worked with community partners to expand dental care – emergency and preventive – for uninsured residents. Visit www.aha.org/nova to learn more. **Applications are due Dec. 8, and awards will be presented at the 2018 AHA Leadership Summit in San Diego.**

If you have news to share about your hospital's achievements, please send to Janine Logan at jlogan@normet.org.



News from
Long Island

[Click here for Nassau-Suffolk Hospital Council member listing](#)

National Quality – The American College of Surgeons, through its National Surgical Quality Improvement Program, has recognized *NYU Winthrop Hospital* as one of only 66 hospitals, out of 680 adult and pediatric hospitals, to have achieved "meritorious" outcomes for surgical patient care. ACS NSQIP® is a nationally validated quality improvement program that measures the care of surgical patients, with the program aimed at enhancing and improving outcomes.

Notable Achievements – Dr. Charles Rothberg & RN Natalie Radino of *Brookhaven Memorial Hospital Medical Center* were both honored at Long Island Business News Achievements in Health Care breakfast held at the Melville Marriott on in November. Dr. Rothberg has served on Brookhaven Memorial Hospital Medical Center (BMHMC) medical staff for more than 27 years, and is the current President of the Medical Society of the State of New York (MSSNY). Natalie Radino, RN is BMHMC's Emergency Department Charge Nurse.

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Committee Updates

Fiscal Policy Committee: At their November 8 meeting, members of the fiscal policy committee were briefed on legislative issues of interest including CHIP, Medicaid DSH, cost-sharing reductions and tax reform. Regulatory updates on 340B funding, hospital outpatient department payment rates and the president's recent executive order directing the Secretary of Labor to allow association health plans were also provided.

Quality Committee: At the November 9 meeting, members of the Quality Committee were provided with an overview of The Joint Commission's special report on suicide prevention in healthcare. They were also provided with regulatory updates on the Outpatient Payment System and the Quality Payment Program final rules. Members of the committee discussed other CMS quality reporting requirements and initiatives to reduce the burden associated with reporting on quality measures.

Nurse Executive Committee: The Nurse Executive Committee met on November 14 and discussed The Joint Commission's special report on suicide prevention in healthcare as well as a recent training hosted by the Hospital Council and the American Psychiatric Nurses Association on suicide prevention. Federal legislative updates on CHIP, Medicaid DSH, cost-sharing reductions and tax reform were provided by Ms. Darwell. Federal regulatory updates on recent CMS initiatives and guidance from the Office of Civil Rights related to sharing of health information during an opioid-related event were provided by Ms. McCale. The group discussed recent survey issues and the backlog in nurse misconduct investigations at the state education department.

Corporate Compliance Committee: At the November 16 meeting of the Corporate Compliance Committee, members were briefed on federal legislative issues of interest including CHIP, Medicaid DSH, cost-sharing reductions and tax reform. Regulatory updates on dates of service, mid-level admission orders, Medicare TPE audits and OIG credit balance audits were also provided.

Long Island Health Collaborative: The final 2017 meeting of the LIHC was on November 15, and discussed the outcomes of the September Collective Impact Think Tank and 'A Way Forward.' The group received a presentation from Dr. Martha Carlin of the NYS Office of Mental Health, on regional programs on Long Island and the specifics of what the LI field office can provide to communities. The LIPHIP team updated the CHIP/CSP templates that were originally provided in 2016. And the team presented on the year four workplan for the LIPHIP, which sponsors the activities of the LIHC.

Long Island Population Health Improvement Program Steering Committee: On November 29, the LIPHIP Steering Committee convened to discuss the moving forward of the Long Island Health Collaborative under the collective impact model with organically occurring 'core clusters.' The LIPHIP reported that; contracts have been signed with two Regional Health Information Organizations, NYCIG and Healthix; RFPs have been sent out to organizations interested in participating in an LGBTQ consortium; and feedback was given surrounding the LIPHIP update to the CHIP/CSP templates provided to hospitals and local health departments in 2016.

Upcoming Events

Advocacy Day on March 7, 2018: Save the Date
Please save the date

Your participation is critical! We will provide more details as we get closer to the date.

Additionally, on March 6—the day before Advocacy Day—HANYS will host an executive orientation program at our offices for member chief executive officers and other executives who are either newer to their current role or simply interested in learning more about HANYS and our resources. The program is an opportunity to meet with HANYS' executive team, as well as our policy and business leaders. HANYS will also host an association cocktail reception that evening. More details on the March 6 executive orientation program and cocktail reception will follow in the coming months.