



Progress Notes

February 2018

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Two-Year Budget Deal Reached

CHIP Funding Extended; DSH Cuts Delayed

Passage of the Bipartisan Budget Act of 2018 on February 9, 2018 happened after a brief overnight partial shutdown of the federal government. The legislation offers a two-year budget deal, and most importantly, added an additional four years of funding to the Children's Health Insurance Program, delayed the Medicaid Disproportionate Share cuts to hospitals for two years, and continued funding for the nation's community health centers.

The budget act also addressed several Affordable Care Act taxes. The medical device tax and tax on generous, high-cost health insurance plans are delayed for two years, and the tax on health insurance providers is delayed for one year.

However, the legislation did not address the reinstatement of the cost-sharing reduction (CSR) payments. Health plans have not received these payments since October 2017, when a White House executive order stopped the payments.

Meanwhile, President Trump released his 2019 budget in mid-February, just days after the Bipartisan Budget Act of 2018 was adopted. The president's budget offers insight into policy and legislative actions in the year ahead. Immediately, it has implications for the bill that Congressional appropriators will write directing how funds provided in the recently passed Bipartisan Budget Act of 2018 are spent. The bill is due March 23, 2018.

Overall, the White House budget paints an ominous picture for the future of Medicaid and Medicare, as well as hospitals. It proposes slashing the Medicaid program by \$1.4 trillion and cutting Medicare by more than \$530 billion over 10 years.

Legislature Considers Governor's Proposed Budget

Budget Deadline: April 1, 2018

Separate budget proposals prepared by the Senate and Assembly are expected mid-March and will be followed by debate among the joint conference committees. The budget deadline is April 1, 2018.

In January, the governor released his \$168 billion spending plan, which does not call for major cuts to hospitals, but does include re-directing \$425 million of Medicaid dollars to the state's general fund, as a result of changes to the Medicaid global spending cap. Hospitals would endure rate reductions linked to quality pool funding and emergency room and lab services, among other areas targeted for reduction.

The governor is also proposing the establishment of a \$1 billion Healthcare Shortfall Fund to continue the availability of funding for quality health services and to lessen the blow from any loss of federal dollars. While the Children's Health Insurance Program (CHIP) was funded until 2027 and scheduled Medicaid Disproportionate Share Hospital (DSH) cuts were delayed for two years by Congress, the threat of future federal funding reductions are ever present. According to the governor's office, proceeds from the sale of not-for-profit to for-profit insurance conversions, a tax on opioid manufacturers, and a 14 percent surcharge on health plans would contribute to the shortfall fund. The rationale behind the 14 percent surcharge stems from the reduction in the corporate tax rate from 35 percent to 21 percent, as legislated in the recently enacted Bipartisan Budget Act of 2018.

Because the federal government has not yet restored Cost Sharing Reduction (CSR) payments, New York's Essential Health Plan would lose \$900 million in funding. In the nine suburban counties serviced by the Suburban Hospital Alliance, 136,321 individuals depend upon the Essential Health Plan for affordable health insurance. The CSR payments help low-income Americans afford their co-payments and deductibles. 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.

The governor's proposed budget retains the federal funding contingency plan put in place last year that would allow the state to make spending reductions if federal funding to the state is reduced by \$850 million or more. The plan would take effect immediately unless the legislature adopts its own plan within 90 days. This proposal leaves hospitals in a very vulnerable situation in terms of Medicaid funding.

However, the budget maintains funding for distressed hospitals, the methodology for distributing DSH funds, and funding related to capital improvement projects. The Suburban Hospital Alliance continues to meet with state legislators and representatives from the governor's office to ensure the final budget bill is fair and favorable to hospitals. Advocates will travel to Albany on March 7, 2018, to press their case.

News Briefs

New Yorkers Relate Stories about Insurance Loss and Gain – 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.

Bianca Fabian's employer does not offer insurance. However, she says she knows the importance of having coverage for both routine needs and when life throws you a curveball. That is why she did not hesitate to purchase insurance from the marketplace. Read more about Bianca's story and other stories at [Healthcare Voices](#), including that of [Ruth Zaporta](#) who was featured in the state's print and broadcast ads about enrolling in the marketplace. 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>

Regulatory Modernization Report - The Department of Health has issued Spurring Health Care Innovation through Regulatory Modernization: Putting Patients First. The report is the result of Regulatory Modernization Initiative meetings convened by the department over the past seven months. The meetings were aimed at addressing outdated and onerous regulations preventing rapid and effective transitioning of healthcare delivery. The modernization initiative was established following a series of regional listening sessions convened by HANYS, regional associations, and the Department of Health in 2016.

Awards Season – The Baxter Allegiance Foundation and the American Hospital Association have put out a call for entries for the [2018 Foster G. McGaw Prize](#), which recognizes hospitals that have distinguished themselves through efforts to improve the health and well-being of everyone in their communities. Applications must be received online before midnight Central Time on April 6, 2018.

States Challenge Obamacare – A coalition of 20 states filed suit against the federal government, claiming that Obamacare is no longer constitutional because of the repeal of the individual mandate and fine for those who do not obtain insurance. The lawsuit holds that without the individual mandate, which was eliminated by the GOP-led tax law, Obamacare is unlawful.



News from the
Hudson Valley

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

Excellent Review – Healthgrades named the 250 recipients of its 2018 Distinguished Hospital Award for Clinical Excellence in January, recognizing *Vassar Brothers Medical Center* in Poughkeepsie for performing among the top 5 percent in the nation for at least 21 of 32 inpatient conditions and procedures analyzed by Healthgrades. To see the full list, visit www.beckershospitalreview.com.

Certified Urgent Care – *Catskill Regional Medical Group* Urgent Care has received the Certified Urgent Care designation, distinguishing it as a Certified Urgent Care Category 2 facility. Catskill Regional is the only urgent care in Sullivan County to have earned this designation from the UCAOA.

Comprehensive Designation – *Putnam Hospital Center* received a Comprehensive Center designation from the Metabolic and Bariatric Surgery Accreditation and Quality Improvement Program (MBSAQIP,) a joint program of the American College of Surgeons (ACS) and the American Society for Metabolic and Bariatric Surgery (ASMBS,) for meeting essential criteria for staffing, training, facility infrastructure and protocols for care.

Ethical Recognition – The Greater Hudson Valley Health System (GHVHS), comprised of *Catskill Regional Medical Center*, *Orange Regional Medical Center*, *Catskill Regional Medical Group* and *Orange Regional Medical Group*, has been recognized by the Ethisphere Institute as one of the 2018 World's Most Ethical Companies. GHVHS is one of only seven honorees in the non-profit healthcare providers industry, recognized for measuring and improving culture, leading authentically, and committing to transparency, diversity, and inclusion.

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



Excellent Review – Healthgrades named the 250 recipients of its 2018 Distinguished Hospital Award for Clinical Excellence in January, recognizing three Long Island hospitals for performing among the top 5 percent in the nation for at least 21 of 32 inpatient conditions and procedures analyzed by Healthgrades.

- *John T. Mather Memorial Hospital*
- *NYU Winthrop Hospital*,
- *Stony Brook University Hospital*
- To see the full list, visit www.beckershospitalreview.com.

Name Change – Brookhaven Memorial Hospital Medical Center is being renamed Long Island Medical Center, and will transition to the name over the next year. The independent hospital will begin publicizing the name through an island-wide marketing and advertising campaign.

Accreditation – The Cardiology fellowship program at *Nassau University Medical Center* has attained Initial Accreditation by the Accreditation Council for Graduate Medical Education.

Service Growth – *Catholic Health Services of Long Island* has entered into an agreement with New York Institute of Technology College of Osteopathic Medicine to further advance patient-centered, community-based health care on Long Island. Through this affiliation, CHS will expand its complement of medical student rotations and graduate medical education residencies and fellowships to grow CHS's clinical service lines.

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

Committee Updates

Corporate Compliance: The February 27 meeting of the Corporate Compliance Committee included reports on audit-related provisions in the federal budget agreement and state budget proposal, new federal guidance on False Claims Act lawsuits, and recent federal audit activity, among other topics.

Fiscal Policy: In February, the committee was briefed on the governor's budget proposals for the 2018-19 state fiscal year, received updates on the federal budget process and discussed changes to the CMS bundled payment initiatives.

Quality: At its February 28 meeting, the Quality Committee was briefed on the latest activities of the NYS Partnership for Patients, changes to the CMS Hospital Harm Performance Measures, and state reporting of AMI data. Discussion topics include local responses to the flu outbreak and proposed state regulations on assessing patients for substance use disorders.

Long Island Health Collaborative: The LIHC welcomed the new PHIP program manager Katie Feerick, and discussed 2018 initiatives such as focus groups to collect Community Health Assessment data and new uses for the Collaborative's public health education campaign, Are You Ready, Feet?™ The workgroup or 'cluster' structure of the Collaborative will see three potential active groups this year, individually dedicated to food access, physical activity, and behavioral health.

Upcoming Events

March 7th Albany Advocacy Day

Register today

This year's Suburban Hospital Alliance and HANYS Advocacy Day will be held on Wednesday, March 7. We hope that you, members of your executive team and/or trustees also will join us in Albany for a Suburban Hospital Alliance dinner on the evening of Tuesday, March 6.

Please note: A number of CEOs and trustees from our two regions will be participating in HANYS and Healthcare Trustees of New York State (HTNYS) board meetings, which will be held in Albany on March 6. To accommodate these events, we have altered our traditional Advocacy Day schedule of activities. We will be scheduling legislative meetings for **Wednesday, March**

Z and hope that your schedule will permit you to stay in Albany for the day. Our goal is to schedule as many of our meetings as possible in the morning and early afternoon to accommodate travel needs.

The Suburban Hospital Alliance will arrange group meetings with Senate and Assembly leadership and key committee chairs. If you wish to also meet with your individual Senate and Assembly members and need assistance scheduling these meetings, please let us know.

Two-Step Registration Process:

1. To register your participation in both the HANYS Advocacy Day and Suburban Hospital Alliance events, follow [this link](#). There will be a “Register Today” button, along with links for other logistical information.
2. Then click [here](#) and select the link for the Suburban Hospital Alliance. You will be prompted to answer two questions – whether you will attend the dinner on March 6 and/or the meetings on March 7.

Accommodations

We will be staying at the Marriott Renaissance Hotel, just a block away from the Legislative Office Building. HANYS has a block of rooms reserved for the night of Tuesday, March 6. **The room block expires on February 16.** Please make your reservation using the following information:

Renaissance Albany Hotel

144 State Street

Albany, New York 12207

Please call (518) 992-2500 or register online [here](#).

\$194-214 per night

Use code: HANYS

If you have any questions, please feel free to contact Ramona Bielawski (rbielaws@nshc.org or 631-963-4151)

June 27 – 29th HANYS' 50th Annual Membership Conference

Celebrating 50 Years Educating Healthcare Leaders

HANYS' 50th Annual Membership Conference will take place in a new location in 2018—the historic city of Saratoga Springs, New York. Celebrate a half-century of bringing our members together for education, networking, and celebration of member achievements.

The 2018 Annual Membership Conference will offer an enhanced agenda with breakout sessions covering leadership, quality improvement, operational efficiencies, policy, payment models, and more. Continuing education credits will be available to attendees. Members of all C-level roles are invited to join and reflect on recent events, delve into current healthcare issues and trends, and learn from state and national policy experts about what to expect in the months and years ahead.

Registration

Registration and hotel information will be available in March 2018. [Check here](#) periodically for updates and details as they become available. For more information, contact learning@hanys.org.