

Progress Notes

March 2018

Inside This Issue

- Congress Passes Spending Bill, But No Market Stabilization Achieved
- Legislators Working to Achieve On-time Budget
- Congress Questions CMS Oversight of Joint Commission Accreditation Process
- News from the Hudson Valley
- News from Long Island
- Committee Updates
- Upcoming Events

Congress Passes Spending Bill, But No Market Stabilization Achieved

With the passage of the \$1.3 trillion Omnibus Spending Bill on Friday, March 23, 2018, a shutdown of the federal government that could have happened that day was averted. However, the bill did not offer any assurance against excessive health insurance premium rate hikes in the future and that threat remains prevalent.

The spending bill contained no provisions to stabilize the health insurance markets. Legislation to restore the <u>Cost Sharing Reduction</u> (CSR) payments to insurers, which were eliminated by the Trump administration last October, would have brought stability to the market and offered some assurance to consumers against high percentage premium hikes in the near future. These payments help low-income Americans afford their co-payments and deductibles. The Omnibus also left out language directing the establishment of re-insurance funds for states. These funds would help cover the cost of people with complex and expensive healthcare needs. Economists widely agree that these two mechanisms are needed to ensure stability in the health insurance exchange markets. Text of the legislation is available online.

The Omnibus bill funds the federal government through September 30, 2018 and adheres to the federal fiscal spending levels agreed to as part of the <u>Bipartisan Budget Act of 2018</u>, which became law in February.

Although the insurance stabilizer provisions did not make it into the final legislation, healthcare advocates from the Long Island and Hudson Valley regions are grateful to the members of New York's delegation who supported the Omnibus Bill because it did include other favorable healthcare provisions, such as nearly \$4 billion to address the opioid epidemic and \$37 billion for the National Institutes of Health.

Reinstatement of the CSRs and establishment of a re-insurance fund remain priorities. The Suburban Hospital Alliance will keep fighting for these so that excessive premium hikes are avoided and patients can continue to afford their health insurance. In a little more than four weeks, May, insurers must submit their proposed 2019 rates to New York State for

review. The uncertainty insurers faced all last year about CSR funding prompted most to increase premiums as a way to quard against the loss of CSR funding.

Legislators Working to Achieve On-time Budget

The state budget deadline is just days away – April 1, 2018 – and it is still unclear even this late in the budget process whether an on-time budget will be achieved. Last year, the budget was 10 days late. Legislative leaders and the governor have been working to pull together a budget that will close the state's \$4.4 billion budget gap. Legislators are having difficulty reaching consensus on policies related to criminal justice reform, sexual harassment, and child sex abuse statute of limitations.

Additionally, the establishment of a \$1 billion Healthcare Shortfall Fund, a provision that the governor wants, is also a point of contention. Many lawmakers no longer see the need to set aside revenue for this fund because the federal Bipartisan Budget Act of 2018 removed most of the short-term revenue threats to New York. However, hospital advocates continue pressing for this fund because volatility at the federal level still exists in the form of Medicaid reform, such as block grants, and additional reductions in Medicaid and Medicare dollars.

In mid-March, the Senate and the Assembly each released their one house budget bills. These bills are in response to the governor's proposed \$168.2 billion budget.

Regarding capital, the Senate and Assembly bills increase the governor's proposed \$425 million in healthcare capital by \$75 million and \$100 million respectively.

Both chambers reject the governor's proposals to reduce capital reimbursement embedded in the Medicaid rates for hospitals and nursing homes and to cut the hospital quality pool and re-direct some of its funding. Both also reject the emergency room payment penalty. The Senate also prohibits the state from reducing the reimbursement rate for hospital emergency services provided to Medicaid enrollees.

Finally, the Assembly proposal restores the Medicaid trend factor for hospitals, nursing homes, home care, and others. Providers have not received a Medicaid trend factor update in more than 10 years. This is a bump in reimbursement that is tied to inflation/cost of living indices and more adequately reflects the true cost of care.

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

SHANYS Healthcare Policy Blog Debuts - The Dahill Dose offers informed and insightful commentary about healthcare policy.

Kevin Dahill, the president/CEO of the Suburban Hospital Alliance of New York State (SHANYS), a former hospital CEO, and current member of several regional health policy boards, shares his knowledge and insight about all matters concerning healthcare policy, legislation, and regulation in The Dahill Dose – www.dahilldose.com

In his first post, Dahill examines the concept of population health and the level of collaboration this approach to care entails. The post's content draws from a recent analysis offered by the Long Island Population Health Improvement Program, which illustrates the collective work of partners to combat the incidence of chronic diseases, especially those related to obesity.

"Healthcare policy is anything but static," said Dahill. "Proposed legislation, new regulations, and rules are a constant. This blog will examine those issues and help explain in layman's terms the complexities and nuances surrounding healthcare policy that so often confuse even the most knowledgeable of us in the field."

Dahill adds that changes to such programs like Medicaid may not, at first glance, appear to affect the majority, but when the program is examined more closely it is clear that Medicaid changes would affect everyone, but in different ways. He notes that right now New York State is facing a huge budget gap and uncertainty in Washington, DC about the future flow of federal Medicaid dollars could make the situation even worse. "The state will look at any and all mechanisms to close that hole," said Dahill.

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.

Spotlight on Quality

Congress Questions CMS Oversight of Joint Commission Accreditation Process

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

On March 13, Energy and Commerce Committee leaders sent a letter to the Centers for Medicare and Medicaid Services (CMS) and four Accrediting Organizations (AOs), including The Joint Commission, regarding "rigor of the Accrediting Organization survey process" and the adequacy of CMS' oversight. In the letter, leaders wrote that in its FY 2015 report to Congress, CMS found that Accrediting Organizations did not report almost 40% of 'condition level' deficiencies later found by state survey agencies. It's unclear how CMS responded to this finding leading to requests for correspondence between the agency and the AOs it contracts with.

The letter comes on the heels of increased scrutiny of the survey process by the media. In September of last year, the Wall Street Journal released a report questioning the integrity of the accreditation process after hospitals with "serious deficiencies" maintained their accreditation. The WSJ reported that The Joint Commission accredits 80% of the nation's hospitals and revoked accreditation for only 1% of in 2014. Reporters and investigators for the WSJ analyzed inspection reports from 2014-2016 and found that Joint Commission accreditation wasn't affected for 350 hospitals that were found to be in violation of CMS Conditions of Participation. The Journal reports that one third of those hospitals went on to have subsequent violations. The nature of the violations was not disclosed.

As part of its investigation, the committee has requested that Accrediting Organizations submit copies of: hospital applications for accreditation, performance reviews, survey feedback, corrective action plans, responses to those plans, and any additional correspondence with CMS. The Committee has asked CMS for copies of the most recent contracts with state survey agencies, any correspondence with state surveyor agencies and accreditors, copies of complaints alleging harm or misconduct received by CMS since Fiscal Year 2012, and a description of the actions CMS took in response to those complaints. The agency and the Accrediting Organizations have until April 6 to respond.

It is unclear how the Committee would handle any findings of inadequacy on the part of Accrediting Organizations or CMS. In Spring of last year, CMS proposed making AO survey findings public, but later retracted their proposal saying that federal law prohibited them from doing so. Unfavorable findings could seemingly motivate members of Congress to evaluate regulatory barriers to public disclosure and possibly call for stricter penalties for hospitals with deficiencies that are determined to jeopardize patient safety.



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 *Putnam Hospital Center*, for the enhancement of their EMR to screen patients as smokers at point of entry, and offer them smoking cessation education. Read more about these hospitals and more at www.hanys.org/tripleaim.

National Recognition – Catskill Regional Medical Group received NCQA Patient-Centered Medical Home Recognition from the National Committee for Quality Assurance for using evidence-based, patient-centered processes that focus on highly coordinated care and long-term, participative relationships. NCQA Patient-Centered Medical Home standards emphasize the use of systematic, patient-centered, coordinated care that supports access, communication and patient involvement.

Project Approval – HealthAlliance of the Hudson Valley, a member of the Westchester Medical Center Health Network, has received contingency approval from the New York State Department of Health for a transformative \$92 million expansion and enhancement of HealthAlliance Hospital: Mary's Avenue Campus, HealthAlliance and WMCHealth. These enhancements include a new, four-story tower and 437,000 square feet of space, with over 200 total beds, and a new state-of-the-art emergency department, intensive care unit and medical-surgical tower.

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



Meeting the Triple Aim – Highlighted this month in the HANYS Innovation Spotlight for meeting the Triple Aim was *Mather Hospital*, for their initiative to decrease the average time between a type 2 diabetic patient's insulin administration and meal time delivery, surpassing the U.S. Food and Drug Administration's recommendation. Read more about these hospitals and more at www.hanys.org/tripleaim.

Record Awards – The American Association of Critical Care Nurses has given the Beacon Silver Award to the Post Anesthesia Care Unit at *St. Francis Hospital*. This latest recognition for nursing excellence brings the total number of Beacon Awards to six for the Hospital. St. Francis is the only hospital in New York State to hold six Beacon Awards for nursing excellence.

Coronary Excellence – *Good Samaritan Hospital Medical Center* has been recognized by Healthgrades for a number of coronary care achievements including the Coronary Intervention Excellence Award, and was named among the Top 10% in the Nation for Coronary Interventional Procedures for 2017-2018. In addition, Good Samaritan was the Five-Star-Recipient for Coronary Interventional Procedures (2017-2018) and Pacemaker Procedures (2016-2018) according to this year's evaluation from Healthgrades.

Committee Updates

Human Resources Committee: At the March 16th meeting, members of the Human Resources Committee were briefed on newly expanded federal conscience laws, changes to National Labor Review Board Standards and changes claims procedures requirements for disability benefits plans covered by ERISA laws. The group discussed Paid Family Leave policy implementation at their respective facilities and Hospital Council staff provided updates on the status of the home care "13-hour rule" and a proposed rule that would change regulations pertaining to call-in pay.

Fiscal Policy Committee: In March, the committee was briefed on the status of federal budget negotiations and the provisions under consideration for the omnibus spending bill. An overview of proposed rules expanding the availability of short-term health insurance plans and loosening restrictions on Association Health Plans was provided. Hospital Council staff discussed increased scrutiny of the tax-exempt status of hospitals at both the federal and state levels and the nature and breadth of increased managed care denials.

Long Island Population Health Improvement Program Steering Committee: The LIPHIP Steering Committee discussed barrier and solutions to 2018 projects of both the PHIP staff and the Long Island Health Collaborative. Janine Logan gave a presentation regarding the changes to the 2019-2024 NYS Prevention Agenda cycle's Focus Areas and Goals, for which the State's ad hoc committee is seeking feedback from both individuals and organizations.

Upcoming Events

May 8th HANYS' Events during AHA 2018 Annual Meeting

Register today

The American Hospital Association (AHA) will hold its Annual Membership Meeting in Washington, D.C., May 6 - 9. In conjunction with the AHA meeting, HANYS will host a federal briefing on Tuesday, May 8, followed by a reception on Capitol Hill.

After a bipartisan briefing discussing congressional healthcare priorities, you are invited to join hospital executives from New York, California, Illinois, New Jersey, and Pennsylvania for a reception. New York Delegation members and their staff have been invited to attend the reception. Refreshments and hors d'oeuvres will be served.

We encourage you to attend and take advantage of this unique opportunity to interact with your members of Congress, their staff, and state association colleagues with whom we regularly collaborate on key federal advocacy issues.

The schedule of HANYS events during the AHA Annual Meeting is below.

HANYS' Federal briefing

Date: Tuesday, May 8 Time: 4 - 5 p.m.

Location: U.S. Capitol Visitor Center, Congressional Meeting Room North

Multi-State Reception

Date: Tuesday, May 8

Time: 5 - 7 p.m.

Location: U.S. Senate, SR-325

<u>Please register online</u> by May 1. If you have questions regarding registration or to cancel your registration, please email <u>learning@hanys.org</u> or call (518) 431-7867.

Please note that separate registration is required for the AHA Annual Membership Meeting.

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. <u>Check here</u> periodically for updates and details as they become available. For more information, contact <u>learning@hanys.org</u>.