



Progress Notes

September, 2017

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Graham/Cassidy Reform Bill Dies, But Repeal/Replace Efforts Live On

Without enough votes to secure passage, the Graham/Cassidy/Heller/Johnson bill designed to repeal and replace parts of the Affordable Care Act (ACA) was pulled September 26, 2017 by Senator Majority Leader Mitch McConnell. The Senate was pushing to pass this bill by September 30th, the end of the 2017 federal fiscal year and the last day the Senate could use the reconciliation process to fast track legislation with only 51 votes as opposed to 60 votes under regular rules.

The hospital industry remains cautious, however, because repeal and replace efforts are likely to re-surface. In addition, open enrollment for insurance purchased through the ACA's marketplaces begins November 1, 2017, and monthly cost sharing subsidies paid by the federal government to insurance companies are not guaranteed each month under the Trump administration. These are payments given to insurers to reduce out-of-pocket costs for individuals with modest incomes. Without these payments the market will de-stabilize, causing insurers to exit the market and/or raise premiums for everyone to guard against potential revenue losses. The Congressional Budget Office (CBO) previously estimated that failure to fund the cost sharing subsidies in 2018 would increase premium rates by 20 percent and increase the federal deficit by \$6 billion in 2018. The Graham/Cassidy proposal would have ended the subsidies.

Senators Lamar Alexander and Patty Murray, chairman and ranking Democrat, respectively, of the Health, Education, Labor and Pension committee, had begun holding hearings on their bi-partisan legislation to stabilize the insurance markets earlier this month. Those efforts stopped when the Graham/Cassidy bill was forwarded. They have indicated that debate about the legislation may resume. Health economists agree that stabilizing the ACA insurance market is a top priority.

The GOP is not expected to end its fight to repeal and replace the ACA. Leaders could look to use the budget reconciliation process again once federal fiscal year 2018 kicks in on October 1, 2017. The Senate could pass a budget resolution, which triggers the reconciliation process. Although the GOP has indicated that the 2018 resolution instead will be focused on tax reform, some Republicans have suggested adding health language to that resolution.

The Medicaid program remains extremely vulnerable, as it is a high-growth area of federal spending. The GOP wants to limit the future growth in spending by turning Medicaid into a block-grant program for states, under which states could largely define the program as they see fit. In such a scenario, 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. According to an analysis by Avalere Health, New York would lose \$45 billion in Medicaid benefits between 2020 and 2026.

Additionally, pending Medicaid disproportionate share (DSH) cuts, which were legislated under the ACA but delayed several times, are set to blow a huge hole in New York State's budget come October 1, 2017. DSH payments help cover the cost of care at hospitals that serve a disproportionate number of indigent and uninsured. That hole has to be filled, explains Kevin Dahill, president/CEO of the Suburban Hospital Association of New York State. The Suburban Alliance and its key state and regional hospital association partners are working diligently with congressional members to once again delay the cuts.

“The state will look anywhere and everywhere to fill that hole, including assessing businesses and even raising individual taxes,” said Dahill. “The Medicaid dilemma is clearly everyone’s problem. It most certainly is an issue for the one in six New Yorkers who depend upon the program for their health coverage. These are your frail elderly relatives living in nursing homes, your neighbors who have a disabled child, and the working-poor adults who barely make enough money to feed their families.”

New York State has spent the last six years instituting massive health reforms, including through the Delivery System Reform Incentive Payment (DSRIP) program, which is designed to reduce preventable hospital admissions by 25 percent within five years, improve the quality and provision of care, and reduce costs overall. Preliminary results from the New York State Department of Health show that the program is working. This is year three of DSRIP and performance metrics are now tied to payments. The state expects to release a formal report about DSRIP’s progress by the end of the year.

The hospital industry remains committed to working with the Congress to arrive at bi-partisan legislation that fixes the parts of the ACA that are not working well and strengthens those parts that are.

Insurance Enrollment Begins Nov. 1; New York’s Marketplace Ready for Business

Enrollment for year five of the Affordable Care Act’s (ACA) marketplace-based insurance exchanges begins November 1, 2017. Enrollment remains open until January 31, 2018 on the New York State of Health marketplace. Enrollment on the federal exchanges ends on December 15, 2017.

The New York State Department of Financial Services (DFS) announced in August 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 the 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, New York’s 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 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. There have been legislative efforts to establish a guaranty fund for New York State, but nothing has materialized to date. New York is the only state that does not have some kind of health insurance guaranty mechanism.

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 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](#).



Connecting Individuals to Health Insurance for 2018

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 Hudson Valley is serviced by the Community Service Society of New York, Maternal Infant Services Network of Orange, Sullivan, and Ulster counties, and the Westchester County and Rockland County Departments of Health.

The Hospital Council maintains a user-friendly, bilingual website – www.coverage4healthcare.org- that lists enrollment sites and dates and other helpful information.

Individuals and businesses can shop the marketplace through an online portal www.nystateofhealth.ny.gov, by calling the state's customer service number at 855-355-5777, or by meeting with a state-certified navigator.

News Briefs

Hospitals Helping Hospitals – The Healthcare Association of New York State and Greater New York Hospital Association have established New York Healthcare's Puerto Rico Hurricane Relief Fund to assist hospitals (including their healthcare workers) in Puerto Rico that were impacted by Hurricane Maria. The Fund is a vehicle for New York's hospital community to show its support for frontline caregivers and their families who have suffered significant losses. The goal of the Fund is to raise at least \$10 million. The American Hospital Association has established a similar, national fund.

How to Make a Donation

Checks can be made out to *New York Healthcare's Puerto Rico Hurricane Relief Fund* and sent to:
Greater New York Hospital Association
555 West 57th Street, 15th Floor
New York, NY 10019
ATTN: Lisa Krieger

Donations can also be wired to:
Greater New York Hospital Foundation, Inc.
DBA New York Healthcare's Puerto Rico Hurricane Relief Fund
Account number: 4346185815
ABA routing number: 026013673

Please contact GNYHA's [Lee Perlman](#) if you have any questions about the Fund.

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.

340B Program Threatened – The Centers for Medicare and Medicaid (CMS) has proposed drastic cuts to the Medicare Part B 340B drug program. The policy would have a disproportionate impact on safety net hospitals. This program enables hospitals to affordably provide many Medicare beneficiaries with needed medications. The hospital industry has argued that there is a lack of policy/data behind the proposal and has requested that CMS perform a more in-depth analysis. It also questions the legal authority of CMS to propose such changes.

Healthcare Cost Transparency Website – A new, interactive healthcare cost transparency website by FAIR Health, recently launched. It will empower New Yorkers from across the state to plan for and manage their medical and dental expenses. The New York State Health Foundation provided funding. Consumers can compare out-of-network and in-network costs on a range of procedures or episodes of care. For common procedures, consumers will be able to view information on healthcare providers' practices and prices. Go to www.youcanplanforthis.org.

New CON Threshold – Regulations raising the monetary thresholds triggering different levels of Certificate of Need (CON) review for hospitals, and eliminating CON for health information technology (HIT) projects, were published September 6, 2017 in the State Register and are now in effect. The rules resulted from a CON streamlining workgroup, convened by the Department of Health. The Healthcare Association of New York State (HANYS) is part of the workgroup.

Discovery Bill Waiting – The governor has until the end of this year to either approve, veto, or offer chapter amendments to the medical malpractice discovery bill known as Laverne's Law. The law would start the window to bring medical malpractice cases related to cancer when an error is discovered by the patient, not when the mistake occurred, as under current law. Email your opposition to approval of this bill to legislative.secretary@exec.ny.gov.

Less Uninsured – According to the U.S. Census Bureau, 6.1 percent of New Yorkers lacked health insurance coverage last year. That is one percentage point less than the previous year. The rate has fallen more than four percentage points from 10.7 percent in 2013.

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 still available.](#)



News from the
Hudson Valley

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

Five Stars for Short –Term Rehab – The Transitional Care and SubAcute Rehabilitation Units at *Helen Hayes Hospital*, which offer short-term, intensive rehabilitation care, have received 5-star ratings from the Centers for Medicare and Medicaid Services (CMS). These two units are ideal options for individuals being transferred from an acute care hospital who want to transition home at an improved level of mobility and functioning.

Multi-Level Approach – The Commission on Cancer has given accreditation to the cancer program at *Catskill Regional Medical Center*, rewarding their multidisciplinary approach to treating cancer as a complex group of diseases that requires consultation among surgeons, medical and radiation oncologists, diagnostic radiologists, pathologists and other cancer specialists.

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](#)

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.

Achievement Award – *Nassau University Medical Center* has been recognized for healthcare quality by the American Heart Association and the American Stroke Association in the 2017 "Best Hospitals" Edition of US News & World Report. Achievement Awards indicate NUMC's success in meeting performance measures and dedication to providing the highest level of patient care.

New Baby – Baby-Friendly USA announced that *St. Catherine of Siena Medical Center* has received recognition as a Baby-Friendly Designated birth facility, the first hospital to earn the designation in Suffolk County. Based on the "Ten Steps to

Successful Breastfeeding," this international award recognizes birth facilities that offer breastfeeding mothers the information, confidence, and skills needed to successfully initiate and continue breastfeeding their babies.

CNO to Know – Becker's Hospital Review has listed Ann Cella, RN, Senior Vice President of Patient Care Services and CNO of *St. Francis Hospital*, among the top CNOs in the country. The national healthcare publication says chief nursing executives and CNOs play a crucial role in a hospital or health care system's success. Cella is one of only four CNOs in New York to make the elite list.

New Cath Lab – Earlier this month, Stony Brook Medicine opened a fully-operational cardiac catheterization laboratory at *Stony Brook Southampton Hospital*, making it the only facility on the East End of Long Island capable of providing clinically complex care to critically ill heart patients.

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

Committee Updates

Fiscal Policy Committee: The September 13 meeting of the Fiscal Policy Committee included briefings on end-of-fiscal-year negotiations in Washington, particularly with regard to stabilizing the insurance marketplaces, reports on the final Medicare inpatient and proposed Medicare outpatient payment rules, and Medicare and Medicaid DSH cuts that are scheduled to take effect on October 1.

Human Resources Committee: At its September 15 meeting, the group discussed plans for implementing New York's new paid family leave program and reviewed security concerns following a hospital shooting over the summer. The group was briefed on several efforts to roll back National Labor Relations Board decisions from the prior administration and the prospects for new overtime pay standards.

LIPHIP Steering Committee: The Steering Committee of the Long Island Population Health Improvement Program met on September 20 to discuss sustainability of the grant program through the work of the staff and the LIHC. The group will continue to complement programming mandated by DSRIP. Data Analyst Alyssa Bunce reported on an update to the analysis of the group's primary data collection source, the Long Island and Eastern Queens Community Health Assessment Survey.

Upcoming Events

[The Academy for Healthcare Leadership Advancement](#)

A seven-week Cornell certificate program

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.](#)

