



Skyline news

REPORTING ON NEW YORK'S HEALTH CARE NEWS

GNYHA Applauds Pataki's Veto of Malpractice Fee Bill

On November 15, 2000, New York Governor George E. Pataki vetoed a bill that the health care community feared would have greatly increased the cost of malpractice litigation. The bill, S.554, would have eliminated current limits on attorney contingency fees in medical malpractice actions. GNYHA strongly opposed the bill, arguing that the existing statutory limitation on attorney contingency fees in medical malpractice actions strikes a well-considered and appropriate balance between respecting the rights of patients and controlling the extraordinary costs of malpractice litigation. In a thoughtful and well-reasoned veto message, Governor Pataki stated that "any attempt to reform [New York's civil justice system] ... necessarily must address an array of numerous, often interrelated issues. Repeal of the contingent fee schedule ... could affect both the cost and availability of medical malpractice insurance and, thus, the number of doctors that practice in this State, and the cost patients pay for their medical care, either in the form of increased fees or higher health insurance premiums." The Governor also expressed the concern that the legislation could affect "the volume and duration of litigation and the size of settlements and awards." While recognizing that the proponents of the legislation made some persuasive arguments, the Governor ultimately came to the conclusion that "the mer-

its of this proposal ... cannot be assessed properly in a vacuum. Rather, they should be considered only in the context of a fair, balanced and comprehensive examination of New York's civil justice system."

GNYHA Reaction: GNYHA strongly supports the Governor's decision to veto S.554. In a November 16, 2000, letter to the Governor, GNYHA President Kenneth E. Raske stated, "We appreciate the competing viewpoints put forward to you on this issue and the resulting pressures that you faced. We therefore thank you very much for your careful deliberation regarding the implications of this bill and your resulting veto. We would also like to thank your health care counsel, Deborah Konopko, for her thoughtful consideration of this important issue." GNYHA has urged its members to similarly express gratitude to Governor Pataki for vetoing this legislation. ■

Congress Delays BBA Action

On November 14, 2000, the United States Congress passed legislation, known as a "continuing resolution," that will keep the U.S. government running through December 4, 2000. This legislation was necessary because Congress and President Clinton have not yet come to agreement on major portions of the Federal budget for FY 2001. Also unresolved is legislation to relieve hospitals and continuing care providers from some of the Medicare cuts contained in the Balanced Budget Act of 1997 (BBA). As reported earlier in *Skyline News* (October 30, 2000), the House of Representatives has approved the Benefits Improvement and Protection Act of 2000 (BIPA). The Senate has not yet taken action on BIPA, and the President has expressed opposition to some of BIPA's provisions. Delaying further budget action until December 4 effectively delays any further action on

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New York Adds Two New House Members

In addition to its new member, Senator-elect Hillary Rodham Clinton, the New York Congressional Delegation will welcome two other new members in January.

Felix Gucci, 1st Congressional District: Felix Gucci, Republican of Brookhaven, Long Island, will represent the district currently represented by Congressman Michael

Forbes. In addition to having been the president of the fireworks company, Fireworks by Gucci, since 1983, Congressman-elect Gucci has served three terms as the Supervisor of the Town of Brookhaven, where he has championed many tax cuts and environmental issues, including an environmental bond act.

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Senator-elect Expresses Support for Teaching Hospitals

Senator-elect Hillary Rodham Clinton expressed strong support for New York's teaching hospitals throughout her campaign. This support was expressed again on her behalf at GNYHA's Government Affairs Forum on November 17, 2000, by Neera Tanden, Deputy Campaign Manager for the Senator-elect's successful campaign.

The Importance of Teaching Hospitals

Our teaching hospitals are the crown jewels of America's health care system. No one knows that better than the people of New York, who are fortunate enough to have ... so many of the best academic health centers. In 1997 we made sure that Medicare payments for medical education will go directly to teaching hospitals. Some have proposed that we separate the funding of Medicare from the funding of teaching hospitals, without any assurance that there will be a safe and secure compensation system. I disagree. It is fair and appropriate for health insurance plans to help pay for the missions of our nation's teaching hospitals. Teaching hospitals benefit all of us—and the cost for producing them should be borne by all of us.

—Statement by Senator-elect Hillary Rodham Clinton

GNYHA Participates in Two Conferences on Family Health Plus

GNYHA was invited to speak about New York's Family Health Plus (FHP) program at two conferences in Washington, D.C. this month. On November 10, 2000, Rima Cohen, GNYHA's Vice President for Insurance Options Development, addressed a conference that brought together representatives from states that have enacted significant health insurance expansions with individuals from states that are in the midst of efforts to expand family coverage. Federal health officials, health care advocates, and policy analysts from 25 states and national organizations attended the conference, which was sponsored by the Commonwealth Fund and the Kaiser Commission on Medicaid and the Uninsured. The Center on Budget and Policy Priorities and FamiliesUSA, two national nonprofit organizations, organized the two-day meeting.

Ms. Cohen described Family Health Plus (FHP)—New York's new health insurance program that will make free coverage available to uninsured, working families and individuals—as well as the successful campaign that helped build public support for FHP and the challenges that lie ahead as New York implements its new program.

Representatives from Ohio, Maine, and Wisconsin also described their states' coverage expansions, and participants from states that have not yet enacted expansions discussed key political and program design issues involved with enacting new health insurance programs, as well as the various options for securing Federal matching funds for family-based expansions. Staff from the United States Congress briefed the group on legislative issues related to family coverage expansions that are likely to arise in the next Congressional session, and officials from the U.S. Health Care Financing Administration were on hand to answer questions from conference participants.

On November 21, 2000, Ms. Cohen made a presentation on FHP at a Washington, D.C. briefing that explored state initiatives to expand coverage to the uninsured. The briefing was organized by the Alliance for Health Reform, a non-partisan, non-profit group, chaired by Senator Jay Rockefeller of West Virginia and Senator Bill Frist of Tennessee, which provides objective information on issues related to expanding health insurance coverage and containing health care costs in the United States. The

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Congress Delays BBA Action

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BIPA until that time as well. Despite the delay, GNYHA and its members participated in a BBA advocacy day on November 15. On that day, GNYHA met with key staff from the offices of New York's two senators, Daniel Patrick Moynihan and Charles E. Schumer, as well as key staff members from the office of Congressman Charles Rangel, the ranking member of the House Ways and Means Committee, and key staff members from the offices of Congressmen Vito Fossella, Edolphus Towns, and Eliot Engel, all members of the House Commerce Committee. All the people with whom GNYHA met expressed the New York Congressional Delegation's strong support for enacting BBA relief legislation this year, and have pledged to work with their Congressional leaders and the White House to ensure timely enactment. ■

New York Adds Two New House Members

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Mr. Grucci has stated that he will bring an interest in tax and environmental issues with him to the House of Representatives, as well as experience in developing education and anti-crime proposals.

Steve Israel, 2nd Congressional District: Steve Israel, Democrat of Dix Hills, Long Island, will represent the district currently represented by Congressman Rick Lazio. Congressman-elect Israel has served on the Huntington Town Board since 1993, and, while serving on the Board, has developed a reputation for fiscal discipline, championing debt reduction, in particular. Mr. Israel is also identified with environmental concerns, pushing to save large areas of Suffolk County from overdevelopment. In addition to serving on the Town Board, Congressman-elect Israel has served as a staff member to former Congressman Richard Ottinger, as Assistant Suffolk County Executive, and as a public relations and marketing executive. On health care, Mr. Israel has stated that he will "vote for a real patient's bill of rights that holds HMOs accountable," and he supports expanding the Federal State Children's Health Insurance Program. ■

SHRPC Codes Committee Discusses Part-time Clinics

At the November 16, 2000, meeting of the State Hospital Review and Planning Council (SHRPC) Codes and Regulations Committee, the Committee discussed the application of part-time clinic regulations, described in previous issues of *Skyline News*, that SHRPC had adopted on an emergency basis over the summer and subsequently amended. The regulations required part-time clinics that were in operation on November 13, 2000, to submit applications to the New York State Department of Health (DOH) in order to continue operating. At the meeting, DOH indicated that, as of November 13, 2000, it had received 1,500 part-time clinic applications. The regulations permit clinics that were in existence prior to November 13, 2000, and that submitted applications, to continue to operate unless and until DOH issues a written denial of approval. DOH also indicated that it has received applications for new sites and that DOH staff will review those applications prior to reviewing applications for the sites in existence prior to November 13, 2000. The Committee also discussed proposed regulations that are now moving through the process for adoption of final regulations. The proposed regulations contain revisions for which GNYHA had advocated (for example, permitting part-time clinics to operate in health care practitioners'

private offices under certain circumstances).

SHRPC Project Review Committee: At its November 16 meeting, the SHRPC Project Review Committee discussed several applications for ambulatory surgery centers, as well as the potential impact of three proposed ambulatory surgery centers on near-

by hospitals, in accordance with DOH's recently implemented policy. The Committee voted to recommend deferral of one application and made no recommendation on the other two applications, which will be discussed at SHRPC's meeting on December 7, 2000.

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GNYHA and Premier Join Forces in Enhancing Comparative Data

On November 14, 2000, GNYHA and Premier, Inc., a national alliance of health care systems, finalized a strategic alliance agreement that will enhance the comparative data products and services that both entities have developed for hospital administrators. The three principal elements of the agreement are as follows.

First, GNYHA and Premier will jointly develop and market Web-based analytical tools collectively under the name *QMS Compass*, which will include comparative data products developed by both The Health Economics and Outcomes Research Institute (THEORI) at GNYHA and Premier's Healthcare Informatics business unit. "QMS," which stands for Quaesitum Measurement System, is GNYHA's benchmarking project, and is

based on administrative databases. "Compass" refers to Premier's proprietary Web-based subscription services including *Operations Outlook*, a departmental cost and productivity benchmarking system, and *Performance Online*, which provides integrated, detailed clinical and financial data to help improve performance. The QMS module within *QMS Compass* will be free of charge to GNYHA member hospitals.

Second, GNYHA will enhance Premier's comparative data with additional risk-adjustment factors developed by THEORI, and will encourage its member hospitals to participate in Premier's subscription services.

Finally, Premier's data warehouse will expand the range of data that are available to THEORI for research purposes. ■

New JCAHO Hospital Discharge Planning Standards Effective January 1

The Joint Commission on the Accreditation of Healthcare Organizations (JCAHO) has announced changes in hospital standards for discharge planning that will become effective January 1, 2001. The changes are part of JCAHO's *Comprehensive Accreditation Manual for Hospitals*, and appear as a new standard in the "Continuum of Care" chapter and an expanded statement of intent for an existing standard in the "Assessment" chapter.

Continuum of Care: The new "continuum of care" standard, enumerated CC.6.1.1, requires providers to inform patients, in a timely man-

ner, of the need for planning for discharge or transfer to another organization or level of care. JCAHO will hold organizations responsible for keeping the patient and the patient's family informed about conditions that may result in transfer to another organization or level of care; alternatives to transfer, if any; clinical base for discharge; and the anticipated need for continued care following discharge. Scoring on this new standard will be based on whether this information is provided on a timely basis before discharge.

Statement of Intent: The revised "intent of assessment" standard, P.E.1.6, indicates

that discharge planning is to be initiated early in the treatment process based on requirements of the patient's plan of care or other written guidelines. Criteria for discharge that are influenced by the treatment setting are to be set forth in the organization's policies and procedures.

Additional Requirements: In addition to JCAHO standards, hospitals must comply with regulations on discharge planning established by the New York State Department of Health and the U.S. Health Care Financing Administration's Medicare Conditions of Participation for Hospitals. ■

DOH Releases Revised Draft Newborn Hearing Screening Regulations

The NYS Department of Health (DOH) has released a revised draft of regulations to implement State legislation signed into law last year that requires DOH to establish a universal program to screen newborns for hearing impairments. As a member of DOH's Ad Hoc Newborn Hearing Screening Workgroup, GNYHA has been reviewing and commenting on draft regulations proposed by DOH. As a result, the latest draft of the regulations has simplified hospital responsibilities for the program, particularly in the area of follow-up on newborns and reporting of data. The draft regulations would permit hospitals to administer the hearing screening program directly or through a contract with another provider, and would require the initial screening to be provided before the infant is discharged. If a newborn did not pass the first screening, the hospital or contractor would also be responsible for performing a repeat screening prior to discharge when feasible or providing a prescription for a follow-up screening by another provider. The regulations also provide an exception for institutions with 400 births or fewer. Those facilities would not be required to provide the services directly or to contract with a provider for the services, but would be permitted to provide referrals for infants to receive hearing screenings from other providers.

DOH has advanced a proposal for reimbursing Medicaid fee-for-service providers for the screenings, but has not developed a mechanism for Medicaid managed care reimbursement or for requiring payment by third party insurers. GNYHA is actively advocating for full reimbursement for its members for providing these new services.

The regulations are expected to be published in the *State Register* in the next few weeks, triggering the 45-day comment period, during which GNYHA will provide member comments. It is expected that the earliest the program will go into effect is March 2001.

For a copy of the draft regulations, call Olivia Segree at GNYHA. If you have questions about the draft regulations, call Doris R. Varlese at GNYHA. ■

SHRPC Codes Committee Discusses Part-time Clinics

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SHRPC Fiscal Policy Committee: At its November 16 meeting, the SHRPC Fiscal Policy Committee discussed proposed reimbursement regulations for adult day health care programs. Members of the

Committee expressed concern regarding the impact of the proposed regulations on existing programs. The regulations will be discussed at future meetings of the Committee. ■

GNYHA Holds Briefing on Medication Errors

As part of its initiative on health care quality, GNYHA held a briefing on November 17, 2000, on evidence-based strategies to reduce medication errors. Experts from across the country and from New York City discussed approaches to reducing medication errors, ranging from initiatives that rely on technological innovation to pharmacist rounds and programs to improve physician handwriting. The briefing provided an analysis of national research on the prevention of medication errors as well as concrete examples of how hospitals are tackling the problems.

Speakers: David Bates, M.D., Medical Director of Clinical and Quality Analysis at Partners Healthcare System, Inc. in Boston and a leading national expert on medication errors, discussed the findings of his research on the incidence, prevention, and cost of medication errors. He stressed the fact that evidence has shown that medication errors are systems errors, not due to the mistakes of a single individual. In reviewing the national evidence on medication errors, Dr. Bates also stressed the value of physician order entry systems in reducing errors. While the systems are costly to install and maintain, Dr. Bates asserted that the cost savings through error

reduction over time are significant.

Other speakers presented innovative hospital and health system approaches for addressing medication errors, focusing on strategic opportunities for improvement. Representatives from the New York Presbyterian Healthcare Network spoke about the Network's development of a variety of approaches to prevent errors. Frank Saya, Pharm.D., Director of Pharmacy at Cedars-Sinai Medical Center in Los Angeles, discussed the programs his hospital has implemented to tackle medication errors, including physician participation in a course to improve handwriting.

Emphasis on Patient Safety: The program was particularly timely in light of the announcement on November 15 by the Leapfrog Group that it would encourage employees to choose hospitals that promote patient safety, pointing specifically to reliance on computerized medication order entry systems to prevent medication errors. The Leapfrog Group is a coalition of 60 of the largest companies nationwide that have banded together to promote the reduction of medical errors. General Motors, a member of the Leapfrog Group, has already begun to offer financial incentives to employees to choose health plans that contract with "high-performance" hospitals. ■

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November 21 briefing was attended by 200 people, including staff of U.S. senators and representatives, journalists, and health care analysts. After a representative from the Academy for Health Services Research and Policy provided an overview of state coverage initiatives, Ms. Cohen discussed the

details of New York's recent FHP health insurance expansion and the challenges that New York faces as it implements this program, and an administrator from Hillsborough County in Florida discussed a local initiative designed to manage the care of medically indigent patients. ■