



State law makers and hospital CEOs gather at a state budget briefing held Thursday, February 28, 2008 at Peconic Bay Medical Center in Riverhead, New York. From left: Andrew Mitchell, CEO, Peconic Bay Medical Center; Kevin Dahill, president/CEO of the Nassau-Suffolk Hospital Council (NSHC); Assemblyman Marc Alessi; Robert Chaloner, president/CEO of Southampton Hospital; Paul Connor, president/CEO of Eastern Long Island Hospital. (Missing from photo is Assemblyman Fred Thiele Jr.)

Proposed State Budget Calls for Extensive Reforms

More LI hospitals would be losers than winners

Hospital CEOs and state lawmakers held public meetings and press briefings, throughout February and March, to educate patients, providers, and communities about the details of the state's proposed spending plan for 2009. The sweeping reform changes called for in this budget are complex and highly technical and difficult to assess fully at this time, say lawmakers and hospital leaders. For that reason, hospital CEOs want the state legislature to separate the budget issues from the untested, massive reforms proposed in the executive budget.

With just a few weeks remaining until the start of a new state fiscal year, many questions remain about the financial fallout Medicaid inpatient rate rebasing, for instance, will have upon providers. "What is clear at this point is that Long Island will have more losers than winners," said Kevin Dahill, president and CEO of the Nassau-Suffolk Hospital Council (NSHC), which represents the 24 not-for-profit and public hospitals on Long Island. "Nineteen of the 24 hospitals will be negatively affected."

That's the message the hospital industry is carrying forward, as it moves into these final days of budget negotiations. Namely, two key components of the state's rebasing formula will cause Long Island's hospitals to lose about \$8 million dollars, once the rebase estimates are fully implemented. Graduate Medical Education (GME), funding hospitals receive to train new physicians, and funds for workforce recruitment and retention, which were previously allocated to hospitals, are the two components hospitals want out of the rebasing formula.

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A Message from the CEO

Advocacy is truly hands-on work. Thanks to all our hospital leaders and trustees who made the trip to Albany on March 4 and 5, 2008 and joined us for



HANYS Leadership Advocacy Day. It is these personal meetings with state legislators that have the most impact, especially when our lawmakers hear from our hospital trustees—the respected leaders in business and the local community.

We are continuing to communicate with members of Long Island's state delegation, on a daily basis, in an effort to keep them informed of how any proposed policy changes will affect hospitals in their districts. Our main advocacy push is to have funding for graduate medical education and workforce taken out of the state's rebasing formula and ask that this funding be restored, as separate items.

As we wade through the many complex, multi-year, and multi-tiered proposed reforms, we ask our legislature to include in the upcoming budget only those reforms that can be thoroughly understood and measured, at this point. Otherwise, we risk disrupting our hospitals and harming the patients served by these hospitals.

In a broader context, the proposed reforms are patient-centered, and this is always sound health policy. However, they must be analyzed and deliberated rationally and within a reasonable amount of time so they do not do more harm than good. Specifically, Long Island's hospital community supports:

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Proposed State Budget Calls for Extensive Reforms

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"We may have to put off some of these well-intended ideas until we really know their true impact, so hospitals can have true dialog with their legislators and so we don't have unintended consequences that we can't afford," said State Senator Kenneth Lavalle, at a budget briefing organized by the Hospital Council, held Friday, February 29, 2008 at the Village Center in Port Jefferson, New York.

At a similar event held the day before at Peconic Bay Medical Center in Riverhead, New York, Assemblymen Marc Alessi and Fred Thiele Jr. offered the same concerns.

"It is a difficult budget process," said Thiele. "It is disturbing to think we don't have all the information to know how these proposals will affect us."

"I agree that the executive branch has the right goals – reducing costs of health care and providing more patient-centered care. But cutting health care is not reforming health care," said Alessi.



State Senator Kenneth Lavalle (center) discusses impact of proposed state budget with Jim O'Connor, executive director of St. Charles Hospital (left) and John T. Mather Memorial Hospital board chairman Kenneth A. Jacoppi at a budget briefing held February 29, 2008 at the Village Center in Port Jefferson, New York. The Hospital Council sponsored the briefing.

A Message from the CEO

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- Investments in primary and preventive care
- Expanding Child Health Plus
- Modernizing segments of the Medicaid reimbursement rate structure
- Targeting HMOs and pharmaceutical company profits
- "Doctors Across New York"

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News Briefs ...

In Memoriam . . . Vera Rich, president of the Nassau Suffolk Council of Hospital Auxiliaries, passed away in January. Rich had been a volunteer at Good Samaritan Hospital Medical Center (West Islip, NY) since 1975. She most recently held the position of president for the Medical Center's Central Council of Auxiliaries from 2000 to 2002. During her volunteer career at Good Sam, she chaired several committees and worked tirelessly for the hospital's benefit. Prior to being named president of the Nassau Suffolk Council of Hospital Auxiliaries last June, Rich also served the group as recording secretary, first vice president, and was a member of its Audit and Public Relations committees.

Eastern Long Island Hospital . . . vice chair and immediate past board chair Neboysa Brashich was elected to serve a one-year term on the board of governors of the Healthcare Trustees of New York State.

Excellence in Patient Safety Award . . . will be presented for the first time this year by the Nassau-Suffolk Hospital Council to an NSHC member hospital that has shown distinguished achievements in patient safety and quality improvement. The winner will be announced at the NSHC Annual Meeting in June.

Clinical Laboratory Sciences Expo . . . takes place Friday, May 2, 2008 from 11 AM to 4 PM at the Wang Center's Theatre Lobby at Stony Brook University. Job recruitment, laboratory vendors, poster presentations, guest lecturers, and CEU credits are part of the offerings. Free Admission. Call 631-444-3925 for more information.

Long Island Hospitals . . . will be honored by the Red Cross of Nassau County at their 91st Annual Spring Gala, Wednesday May 28, 2008, 6 PM at the Westbury Manor. As Partners in Preparedness, the Red Cross and Long Island's hospitals work collaboratively to ensure that the needs of residents are met in times of natural and manmade disasters. For table/ticket/journal information call: 516-747-3500 or 631-963-4156.

NSHC Annual Meeting . . . is set for Monday, June 16, 2008 at the Crest Hollow Country Club. On the agenda: the year in review, advocacy efforts, election of new officers, presentation of the 1st Excellence in Patient Safety Award. Members are urged to register as soon as possible. Call 631-963-4151.

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Of Critical Interest ...

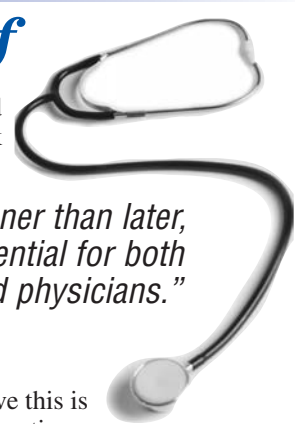
Prescribing Medical Liability Relief

There is no simple cure to the medical malpractice crisis, but physicians, hospitals, patients, and attorneys are hopeful that a report issued later this month by the Governor's medical malpractice task force will contain workable recommendations that will set this crisis on the road to recovery.

Seventeen hundred physicians rallied in Albany in early March to protest the high insurance premiums doctors in New York State pay. The 14 percent rise in premiums last summer was the breaking point for many. An obstetrician on Long Island pays about \$177,000 a year for malpractice insurance. If Insurance Superintendent Dinallo's threat to further assess physicians, as a way to make the insurance industry solvent, holds true many physicians say they will pack up and leave.

Relief, sooner than later, is essential for both hospitals and physicians. One way to quickly achieve this is to ensure that medical liability relief for physicians and institutions is included in state budget deliberations.

Either way, come April, medical liability will undergo some rehabilitative "treatment."



"Relief, sooner than later, is essential for both hospitals and physicians."

Headline News ...

Hospitals Support Patient-Centered Legislation

Cong. Israel seeks provider reimbursement for cancer treatment education

Nassau-Suffolk Hospital Council president/CEO Kevin Dahill joined Congressman Steve Israel on Monday, March 10, 2008 at Huntington Hospital, as the Congressman announced his Assuring and Improving Cancer Treatment Education and Cancer Symptom Management Act. This proposed legislation would require Medicare to reimburse providers for cancer education.

"The hospital community is wholeheartedly behind this legislation, and we will work with Congress to see that it's enacted," said Dahill, whose organization represents the 24 not-for-profit and public hospitals on Long Island. "This patient-centered legislation comes at a time when our President has proposed extensive Medicare cuts."

Dahill was referring to President Bush's proposed fiscal year 2009 budget that calls for \$114 million in Medicare cuts to Long Island hospitals next year, swelling to \$1.2 billion in cuts by 2013. Israel joined Dahill in opposition to these cuts. Hospital administrators across Long Island agree that this executive budget is by far the most radical proposal offered by any administration and would undermine all patient care.

"If we can educate patients and require payment for that education, we can help patients deal with the many side effects of cancer treatment. This legislation ends up paying for itself in reduced hospital admissions and reduced costs," said Congressman Israel.



From left: Kevin Lawlor, president/CEO of Huntington Hospital; Kevin Dahill, president/CEO of the Nassau-Suffolk Hospital Council; Karen Stanley, past president of the Oncology Nurse Society; Congressman Steve Israel; cancer survivor Michelle Snyder.

"Today's health care system is complex and fragmented. The most difficult issue is loss of control. Our belief is that this legislation could enable patients to

have information about what is happening to them and return to them some control," said Karen Stanley, past president of the Oncology Nursing Society.

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Communications Scholarship ... is presented each year by the Communications Committee of the Nassau-Suffolk Hospital Council. The Anne Marie Brown Memorial Scholarship remembers Ms. Brown, who had served as VP for Government Affairs at the Hospital Council some years ago. \$2,000 cash award is for college juniors, seniors or post-graduate students who are studying communications arts, journalism, or health care administration. See www.nshc.org/programs for more information and an application. Deadline is May 30, 2008.

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Upcoming Member Events

NURSE EXCELLENCE CEREMONY

Wednesday, May 14, 2008
3:00 to 5:00 PM

Woodbury Country Club
**For more info call:
631-963-4153**

NSHC ANNUAL MEETING

Monday, June 16, 2008
4:00 – 6:00 PM

Crest Hollow Country Club
Presentation of first
NSHC Excellence in
Patient Safety Award

**For more info and to reg-
ister call: 631-963-4151**



Meeting the Media

Members of NSHC's Communications Committee met local media representatives up close and personal at the hospital group's Annual Meet the Media Luncheon held January 25, 2008 at Blackstone Steakhouse in Melville, New York. This yearly event offers hospital communicators a chance to talk informally with key press contacts. From left: Ridgely Ochs, health policy reporter for Newsday; Mona Rivera, reporter from WINS 1010 radio; Holli Haerr, reporter for News 12; and Alison Snyder, the health reporter for Long Island Business News. Director of Marketing and Public Relations for Southampton Hospital, Marsha Kenny, is pictured right.

The Nassau-Suffolk Hospital Council helps enhance health care for all Long Islanders by representing the interests of its 24 member hospitals before lawmakers, regulatory agencies, the media, and the public.