

eProgress Notes . . . March 2009

A Monthly Publication of the Nassau-Suffolk Hospital Council, Inc.

Welcome to the first electronic edition of the Nassau-Suffolk Hospital Council's Progress Notes publication, a summary of regulatory and legislative news, advocacy messages, and other relevant issues affecting the delivery of hospital and health care on Long Island. Starting this month, eProgress Notes will be delivered to your email address instead of your mailbox. If you know of others on your staff or in the healthcare community, please contact Janine Logan at (631) 963-4156 to subscribe.

*Kevin W. Dahill,
President and CEO*

Hospitals Talk Taxes

Proposed taxes on hospitals in the form of a gross receipts tax (GRT) and MTA tax would slice \$42 million and \$9.3 million, respectively from the operating budgets of Long Island's hospitals. The GRT tax accounts for about 70 percent of the Governor's proposed \$64 million in Medicaid reimbursement cuts to Long Island hospitals. The GRT would be a tax on hospitals' gross income, before accounting for any expenditures to render care. The MTA tax would impose a .33 percent payroll tax on employers, including hospitals. The Governor has publicly stated that he wishes to use New York's \$12 billion dollar share of the federal stimulus funding to eliminate most of the taxes he proposed in his original budget – such as salon services, gym memberships, sodas – but there is no mention of repealing proposed taxes on hospitals. Congress' intended use of the federal Medicaid funding contained in the American Recovery and Reinvestment Act of 2009 is to help states eliminate proposed Medicaid cuts. New York's Governor should honor this intent. – *Wendy Darwell, wdarwell@nshc.org.*

State Legislators and Hospital Leaders Debate Fate of Federal Stimulus Funding

Long Island's elected state representatives and hospital CEOs agree that the \$8 billion in increased federal Medicaid funds included in the economic stimulus package for New York should be used to offset the Governor's projected \$64 million in Medicaid cuts to Long Island hospitals, and, at the same time, allow legislators and policy makers the time and funds to tackle health reimbursement reform in a logical and sustainable manner. This approach to health budgeting and reform was shared by legislators on both sides of the aisle, as well as by hospital leaders, who attended a series of legislative/press briefings in February sponsored by the Nassau-Suffolk Hospital Council (NSHC).



NSHC CEO Kevin Dahill and Nassau University Medical Center CEO Art Gianelli brief State Senator Kemp Hannon on the impact of the governor's budget proposal on Long Island hospitals.

“We need to use the federal funding to hold hospitals and education harmless,” said State Senator Brian Foley. “Then we need to use money to reform health care [reimbursement system] in the next few years. Then we’ll have used our time and money well.”

“Everything you hear about the stimulus package is about creating jobs. You have an

industry in this state producing billions in economic benefit. So, it appears that you would do what you should to avoid further catastrophe,” said Joseph Quagliata, CEO of South Nassau

Communities Hospital (Oceanside, NY) and president-elect of the Healthcare Association of New York State. “FMAP dollars (Federal Medical Assistance Percentage) are tied to Medicaid, so it makes sense to at least make hospitals whole.”

“Health care is a critical component in our economy,” said State Senator Kenneth LaValle. “If we took pieces out of health care and education, we would be in deep, deep trouble.”

Long Islanders can log onto the website www.helpyourhospital.org and enter their zip codes to get a dollar and cents view of what the \$64 million Medicaid cuts to Long Island’s hospitals would mean to their local hospitals and communities. - *Janine Logan, jlogan@nshc.org.*

Representatives Bishop/McCarthy on LI

Economic stimulus bill and state Medicaid's fate dominate discussion

U.S. Representatives Tim Bishop and Carolyn McCarthy listened to hospital administrators’ concerns in early February about threatened state Medicaid cuts their facilities face, as well as their hopes for other relief in the federal stimulus package. The Nassau-Suffolk Hospital Council (NSHC) hosted the Issues Briefing.

“Affordable, quality health care is key to growth in the economy and the economic security of our families,” Congressman Bishop said. “That is why I am working with Long Island’s health care leaders to make sure that in addition to investing in infrastructure, we are also taking care of our hospitals.”

“This is the time that money has to go in,” Congresswoman McCarthy said. “Health care and infrastructure are two main parts of the House stimulus bill. In health care we have to make sure no one is laid off and Medicaid patients are taken care of. If someone gets sick they go to a hospital and the hospital has to get paid.”

“Economic stimulus money will translate into local jobs, at least in the health care sector, if the Governor and legislature direct that money toward closing the Medicaid budget hole,” said Kevin Dahill, president/CEO of the NSHC. “Hospitals provide 85,000 jobs and fuel local economies with \$13 billion in residual spending.”

Dahill warns that the \$64 million in Medicaid reimbursement cuts to this region will have the adverse effect of stagnating the local economy through staff reductions and program closures. - *Janine Logan, jlogan@nshc.org.*



U.S. Reps. Tim Bishop and Carolyn McCarthy discuss the economic stimulus package with Kevin Dahill.

News Briefs . . . President and CEO of South Nassau Communities Hospital (Oceanside, NY) Joseph Quagliata is chairman-elect of the Healthcare Association of New York State (HANYS). He will serve a one-year term.



Mark Your Calendar for NSHC Events in April

April 2: Executive Committee Meeting, 8 a.m.

April 8: Finance Committee Meeting, 8:00 a.m.

April 14: Life Safety Committee Meeting, 10 a.m.

April 14: Nurse Managers Committee Meeting, 12:30 p.m.

April 21: Corporate Compliance Committee Meeting, 9:30 a.m.

April 25-29: American Hospital Association Annual Meeting, Washington, DC

April 28: HANYS Federal Briefing, Washington, DC

April 29: HANYS Congressional Lobby Day, Washington, DC

NSHC Committee News . . .



Communications Committee . . .

members interacted with key media representatives from Long Island's major news outlets at a "Meet the Media" luncheon held January 23, 2009 at the 56th Fighter Group Restaurant in

Farmingdale, NY. The annual event brings together the senior level public relations/public affairs directors from Long Island's hospitals and the news/assignment editors and directors from LI media. Panelists included Joe Haberstroh, health editor, Newsday, Debi Gade, special projects producer, News 12, Connie Conway, reporter, Long Island Radio, Carolyn James, editor/publisher ACJ Publications (three weeklies) and Jennifer Acosta, assignment editor, TV 55.

Human Resources and Communications

committee . . . members worked collaboratively to produce the region's only guide to health care careers. The comprehensive booklet provides job descriptions for dozens of health care jobs, from registered nurses to sonographers. Included in the guide is a reference to local educational institutions, as well as the certifications and degrees needed for various health care jobs. A quick alphabetical listing and job category feature make it easy for users to find the job that most interests them. An added feature is a description of each

hospital on Long Island. Copies can be downloaded from the NSHC site at www.nshc.org/publications or call the Hospital Council for a free booklet 631-435-3000.



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The Collective Voice of Long Island's Hospitals