

# the Reporter

Illinois Hospital Association



November 5, 2007

## **MEDICAID HMO MANAGED CARE TAKEN OFF THE TABLE**

Senate Republicans have agreed not to pursue any mandatory Medicaid HMO managed care proposals in the current state legislative session. IHA thanks members for their outstanding advocacy work to get the message out to legislators on the great harm such proposals would cause, including jeopardizing the continuation of the Hospital Assessment Program and creating other financial problems for the hospital community. IHA also appreciates the support of legislators who worked to resolve this issue, especially House Republican Leader Tom Cross and his leadership team.

## **REPS URGE IRS TO REVISE FORM**

Twelve Illinois Congressmen signed the bipartisan Tubbs Jones/Porter letter urging the IRS to revise its proposed Form 990 Schedule H to provide for reporting the full value of hospital community benefits, including Medicare underpayments and bad debt. Signers included Peter Roskam (R-6<sup>th</sup>), Phil Hare (D-17<sup>th</sup>), John Shimkus (R-19<sup>th</sup>), Danny Davis (D-7<sup>th</sup>), Jesse Jackson (D-2<sup>nd</sup>), Jerry Weller (R-11<sup>th</sup>), Mark Kirk (R-10<sup>th</sup>), Jerry Costello (D-12<sup>th</sup>), Tim Johnson (R-15<sup>th</sup>), Melissa Bean (D-8<sup>th</sup>), Judy Biggert (R-13<sup>th</sup>) and Dennis Hastert (R-14<sup>th</sup>). In all, nearly 200 House members signed the letter, which was to be sent to the IRS late last week.

Meanwhile, U.S. Sen. Charles Grassley (R-IA) oversaw a Senate Finance Committee roundtable meeting on Oct. 30 to discuss possible regulatory changes aimed at nonprofit hospitals. "If these hospitals continue to press for keeping the public in the dark about how they justify \$50-billion in tax breaks a year, that will greatly color my views about the need for legislation," he said. Speaking on behalf of AHA at the meeting, AHA

board member Nicholas Wolter criticized a recommendation that 5% of hospitals' operating expenses be devoted to charity care. AHA also presented a new "Care in Action" brochure on how hospitals benefit their communities, with stories from five Illinois hospitals. The brochure can be seen by [clicking here](#).

## **UNCOMPENSATED CARE GROWING**

AHA's annual survey of hospitals showed that in 2006 community hospitals provided \$31.2 billion in uncompensated care (the estimated cost of bad debt and charity care), \$2.4 billion more than the previous year. In addition, underpayment by Medicare and Medicaid to these hospitals accounted for an additional \$29.9 billion, up from \$25.3 billion in 2005. The AHA fact sheets are available by [clicking here](#).

Illinois figures show more than \$2.5 billion a year in underpayments by government sponsored programs, including Medicare and Medicaid, and \$1.2 billion in uncompensated care.

## **SEN. GARRETT RECEIVES IHA AWARD**

IHA presented its 2007 Excellence in Public Service Award to Illinois Sen. Susan Garrett (D-Lake Forest) on Nov. 1. Garrett was honored for her significant contributions to the health care field and her work on hospital issues ([click here for press release](#)). In 2007, she sponsored legislation that extended the Certificate of Need program to Aug. 2008.

## **DURBIN INITIATIVE TARGETS MRSA**

In response to cases of methicillin-resistant Staphylococcus aureus (MRSA) in students in the Chicago area and throughout the country, U.S. Sen. Dick Durbin (D-IL) has introduced the Community and Healthcare-Associated Infections Reduction Act of 2007. The bill would

require hospitals to report infection rates, authorize more federal funding for research, create new guidelines, offer payment subsidies to hospitals for lowering hospital-acquired infection rates and create public awareness campaigns.

### COMPDATA: 20 YEARS OF SERVICE

About 150 hospital leaders, quality directors and others attended COMPdata's annual meeting in Lisle Oct. 29-30, celebrating 20 years of service to IHA members and other customers. Nationally known experts spoke on performance improvement, public reporting and other quality issues.

Presenters included Denise Love, executive director, National Association of Health Data Organizations; Dr. Susan Nedza, Region V CMS Chief Medical Officer; Dr. David Nash, chair of the Dept. of Health Policy at Jefferson Medical College; Robert Lloyd, executive director of performance improvement at the Institute for Healthcare Improvement; Bruce Crowther, President and CEO, **Northwest Community Hospital**, Arlington Heights; Evelyn Lyons, Illinois Emergency Medical Services for Children (EMSC), IDPH; Daniel Leonard, EMSC, **Loyola University Medical Center**, Maywood; and Edward Rafalski, **Alexian Brothers Hospital Network**, Arlington Heights.

COMPdata has provided timely information, reports, and data manipulation tools for local-area community health care analysis since 1987. For information, go to [www.compdatainfo.com](http://www.compdatainfo.com).

### BRIEFLY NOTED...

✓ The Illinois Appellate Court, Fourth District, ruled Oct. 25 that a July court order reinstating the tax-exempt status of **Provena Covenant Medical Center** in Urbana will not be suspended while the state Dept. of Revenue and Attorney General appeal the circuit court's ruling.

✓ The National Kidney Foundation of Illinois (NKFI) presented its prestigious "Gift of Life" Award to IHA at its annual gala Oct. 27. IHA was honored for partnering with NKFI on its statewide public health prevention campaign. In the partnership's first year, 18 member hospitals joined NKFI's *KidneyMobile* in screening 1,200 high-risk individuals. The program is being renewed for 2008. For information, [click here](#).

✓ "Proactive Connections: Lessons Learned from Mt. Sinai's Experience with the California Nurses Association," will be held Nov. 5 in Naperville and Nov. 7 in Springfield. [Click here for details](#).

✓ Early bird registration has been extended for "Communicating Effectively with Deaf and Limited English Proficient Individuals - What Hospitals Need to Know" on Nov. 14. Learn about strategies for effective communication, legal requirements, Joint Commission standards, and more. To register, [click here](#).

✓ The U.S. Congress late last week passed legislation (**HR3963**) to reauthorize funding for the State Children's Health Insurance Program. But the President has vowed to cast his second straight veto on the issue. Negotiations are expected to resume this week between supporters of **HR3963** and House Republicans who opposed the bill.

✓ **Reminder:** The *Reporter* is going "paperless" in 2008. Members will be receiving a brief survey offering the option of receiving the Friday Mailing, including the *Reporter*, electronically instead of through mailed paper copies.