

the Reporter

Illinois Hospital Association



February 12, 2007

OPPOSITION BUILDS AGAINST FEDERAL CUTS TO HEALTH CARE

President Bush presented his FY2008 budget to Congress last week, calling for more than \$100 billion in Medicare and Medicaid cuts over five years. Included are \$30 billion in Medicare cuts targeted at hospital services, with reductions for inpatient and outpatient payment updates, rehabilitation facilities, and bad debt payments. The President's budget also calls for billions of dollars in Medicaid reductions that would come on top of the almost \$4 billion in regulatory cuts proposed by CMS last month.

Many members of Congress have already criticized the reductions, and several bipartisan letters are circulating to oppose the legislative and administrative proposals. A U.S. Senate letter opposing the proposed CMS cuts is being circulated by Illinois Sen. Dick Durbin (D) and Elizabeth Dole (R-NC). The letter, which has also been signed by Illinois Sen. Barack Obama (D), is similar to the letter being circulated in the House by Reps. Anna Eshoo (D-CA) and Peter King (R-NY). Illinois Reps. Melissa Bean (D-8), Jerry Costello (D-12), Danny Davis (D-7), Luis Gutierrez (D-4), Phil Hare (D-17), Timothy Johnson (R-15), Ray LaHood (R-18), Daniel Lipinski (D-3), Don Manzullo (R-16), Bobby Rush (D-1), and Jerry Weller (R-11) have signed the Eshoo/King letter.

A third letter is being circulated by Reps. Richard Neal (D-MA) and Phil English (R-PA) asking the House Budget Committee to protect access to hospital care for Medicare and Medicaid beneficiaries.

IHA thanks Sen. Durbin for circulating his letter and all those members of Illinois delegation who

have signed the Eshoo/King letter opposing the CMS cuts.

Members are encouraged to go to IHA's web site and send pre-drafted letters urging their Illinois representatives to sign the Neal/English letter. Members are also urged to participate in two AHA advocacy days in Washington, D.C., one for Medicaid/SCHIP on Feb. 13, and one on the budget on March 6. Information on both events can be found on IHA's web site.

BOARD SUPPORTS UNINSURED REPORT

At its Feb. 2 meeting, IHA's Board of Trustees voted to support the final report of the Adequate Health Care Task Force that recommends a plan that would cover 89% of the currently uninsured population in Illinois and cost more than \$5 billion.

Key elements of the task force plan include: Medicaid and SCHIP expansions; physician/hospital payment increases under the Illinois Medicaid program; state-funded premium assistance for designated persons below 400% of the federal poverty level; individual and employer mandates; and insurance reform.

The report is expected to spur debate in the General Assembly on the uninsured issue as well as serve as a backdrop for Governor Blagojevich's uninsured proposal that will be unveiled in early March during the Governor's State of the State address. IHA President Ken Robbins, who served on the 29-member Task Force along with five hospital CEOs, told the *Daily Southtown*: "If you're going to be bold – if your goal is really universal coverage or something close to it – it seems inescapable to me that you have to go down that road."

In other action, the IHA Board authorized Association staff to engage in discussions with the Attorney General's Office to determine what expenditures it is willing to include in the definition of "charity care" for purposes of legislation specifying a hospital's aggregate charity obligation.

The Board also accepted the recommendation of the IHA MRSA Task Force, adopting a policy supporting MRSA-related legislation that requires active MRSA surveillance of all ICU patients and at-risk patients as determined by the hospital – or complies with CDC control guidelines for multi-drug resistant organisms.

REGISTER NOW FOR IHA'S 2007 PATIENT SAFETY COLLABORATIVE

IHA has announced its Patient Safety Learning Collaborative for 2007: "Working as One: Patients, Families, and Caregivers." The program will focus on active engagement of patients and families in working toward the best outcome for care, not only during the length of stay, but also as proactive participants in the organization's infrastructure for quality and safety.

All hospital CEOs, CNEs, patient safety officers, risk managers, and directors of pharmacy have received details on the program. Participation is limited to 26 teams. Registration will close March 7 or as soon as we reach capacity. For more information, contact Becky Steward at bsteward@ihastaff.org or 630-276-5585.

BRIEFLY NOTED...

✓ The Commission on Government Forecasting and Accountability is scheduled to release its report evaluating the CON program on Feb. 15. IHA submitted a detailed analysis of the benefits and value of the planning process and the need for a long-term extension of the program. IHA also met with the Commission and its consultant, the Lewin Group. The analysis is on IHA's web site. IHA is pursuing legislation to

extend the sunset of CON to July 1, 2012. The program is currently set to expire on April 1 of this year.

✓ The newly established Illinois House Human Services Committee will begin its work this week, including holding a hearing on a nurse staffing bill (**HB392**) opposed by IHA. Members are urged to contact their representatives to oppose this bill, which would impose nurse-patient ratios more stringent than California's law. You can send a letter or email to your representatives from IHA's web site, and also see the list of committee members.

✓ IHA will host a Webinar program Feb. 22 on hospital sales and property tax exemptions, covering recent developments on the tax-exempt status of not-for-profit hospitals in Illinois. Speakers will include Mark Hellner, General Counsel for the Illinois Department of Revenue, and Patrick Coffey of Lord Bissell & Brook LLP, the attorney representing Provena Covenant Medical Center in its appeal of the Department's decision to revoke its property tax exemption.

✓ Applications are available for the American Organization of Nurse Executives project, "Disseminating Transforming Care at the Bedside," to identify, develop, and disseminate tools to help hospitals redesign care delivery processes to improve patient care. The Robert Wood Johnson Foundation (RWJF) funded project is based on the RWJF/Institute for Healthcare Improvement program that engages nurses to develop interventions and design new processes that improve care and lead to better morale. The application deadline is March 23.