

the Reporter

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HOSPITAL ASSESSMENT PAYMENTS ON THE WAY

The State secured \$1.2 billion in short-term borrowing for the Hospital Assessment Program on April 17 and expects to receive the funds on April 24. The Administration has informed IHA that payments will be issued to hospitals on April 25.

The Dept. of Healthcare and Family Services will be sending letters to hospitals on April 21 indicating the amount of assessment to be paid to the State in two installments -- three quarters by May 5 and the fourth quarter by May 20. But payment for all four quarters can be made at any time before the due dates.

IHA appreciates the help of members in our efforts to successfully persuade the General Assembly and the Governor to enact a supplemental budget appropriation (**SB1863**) and to secure the necessary short-term borrowing to make these payments possible.

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PROPOSED CMS RULES UNVEILED

CMS is proposing new rules that expand the agency's efforts to link payments to quality of care, adding nine conditions to the current eight preventable conditions that Medicare will no longer pay hospitals at a higher rate to treat if they were not reported as present on admission. The proposed list of conditions would

THIS WEEK'S MAIL

Proposed Medicare Inpatient Quality Measurements
TO: CEOs; CFOs; Chief Medical Officers; CNEs; Chief Information Officers; Quality Directors; Infection Control and Prevention Directors; COMPdata Contacts

Policies and Procedures for the Assessment and Transfer from an ED to a State-Operated Hospital of a Patient with Mental Illness

TO: CEOs; ED Medical and Administrative Directors; Behavioral Health Directors and Psychiatric Triage Teams; Social Service Directors

Illinois Annual Quality Leadership Conference

TO: CEOs; CFOs; Chief Medical Officers; CNEs; Chief Information Officers; Quality Directors; Infection Control and Prevention Directors; COMPdata Contacts

Targeted Quality Improvement Support: Controlled Cardiac Surgery Postoperative Blood Glucose

TO: CEOs; Critical Care Directors; Cardiothoracic Surgery Directors; Pharmacy Directors; Quality Directors; Infection Control Professionals

This Week's Mail Archives

DON'T MISS...

IHA Workforce Strategy Spotlight



go into effect Oct. 1.

The CMS rules would also increase from 30 to 72 the number of quality measures to be reported in FY2010. Reporting hospitals would receive a 3% market-basket update, while hospitals not submitting data would receive a 1% update. CMS also proposes changes for computing the hospital wage index and expansion of the post-acute care transfer policy that would result in a cut of \$50 million to hospitals in FY2009.

Comments on the proposed rule will be accepted until June 13, with a final rule released by Aug. 1.

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LAWSUIT ON BILLING UNINSURED DISMISSED

The First District Appellate Court on Monday affirmed a Cook County Circuit Court dismissal of a lawsuit against **Northwestern Memorial Hospital**, Chicago, saying the plaintiff, an uninsured patient, did not show deceptive billing practices under the Illinois Consumer Fraud and Deceptive Business Act, or unjust enrichment to the hospital. IHA filed an *amicus* brief on behalf of Northwestern Memorial, and the Service Employees International Union filed a brief on the plaintiff's behalf.

After the Circuit Court dismissed his initial lawsuit, the patient filed an appeal, alleging that charging uninsured patients full chargemaster rates was unfair and deceptive when compared to the discounted rates typically negotiated with managed care payors. The Appellate Court disagreed. Writing for the Appellate Court, Justice Rodolfo Garcia said, "Those that have incurred the expense of medical insurance guaranteeing payment to a medical services provider receive reduced billing rates; those that have incurred no expense to guarantee payment to a medical services provider must bear the full cost for those services."

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ASTC BILL HELD IN COMMITTEE

Thanks to the efforts of members who contacted their state representatives and of IHA, an amendment to **HB5657** that would have allowed certain ambulatory surgical treatment centers to become hospitals without going through the CON process was held in the House Human Services Committee on April 15. IHA opposed the measure due to concerns about patient safety and erosion of the health care safety net. IHA Sr.

CALENDAR OF EVENTS

April 22: Medicare Secondary Payer (MSP) Seminar, IHA, Springfield

April 22: UB-04 Billing Seminar, IHA, Naperville

April 23: UB-04 Billing Seminar, MCHC, Chicago

April 24: IDPH Heart Disease & Arthritis Program

April 29: UB-04 Billing Seminar, The Inn at 835, Springfield

April 30: Medicare Secondary Payer (MSP) Seminar, IHA, Naperville with videoconference to Mercer County Hospital, Aledo and Pinckneyville Hospital, Pinckneyville

Education Calendar

2008 Sponsorship Opportunities

COMPdata Programs

Vice President Howard Peters and Dr. Napoleon Knight, **Carle Foundation Hospital**, Urbana, testified against the bill, and Craig Livermore, CEO, **Delnor-Community Hospital**, Geneva, indicated his opposition to the bill.

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IHA OPPOSES FLAWED INSURANCE BILL

Members are asked to contact their state senators to oppose **HB5954**, which would allow individuals to waive coverage for insurance mandates when they purchase a high-deductible plan with a health savings account. The bill, which would allow employers to substitute real group coverage with high-deductible, no-mandate plans, has passed the House and will be taken up soon by the Senate. To send an email to your Senator opposing **HB5954**, visit our web site.

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U.S. HOUSE WORKING TO BLOCK MEDICAID RULES

With several CMS Medicaid rules that would harm hospitals due to go into effect May 25, IHA urges members to contact their members of Congress since efforts are underway in the U.S. House to pass **HR5613** as soon as possible. Despite the threat of a Presidential veto, a bipartisan House panel this week voted 46-0 to approve the bill that would place a moratorium on seven rules until April 2009.

More than 200 cosponsors are on the bill, including seven from Illinois. Members can send emails asking their legislators to cosponsor and support **HR5613/S2819** from our web site.

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IRS RELEASES DRAFT INSTRUCTIONS FOR FORM 990

The IRS has released for public comment draft instructions and worksheets for the revised Form 990 and associated new schedules to be filed by tax-exempt hospitals for 2008. The materials, including new tools for completing the forms and a glossary of terms for Form 990, are available on the [IRS web site](#). Comments are due June 1.

IHA will host an all-day program, "Extreme Disclosure: New IRS Form 990, Charity Care and Bad Debt," on May 20 in Naperville, with video to Springfield and Nashville.

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QUALITY CONFERENCE MAY 15 AND 16

“Excelling and Accelerating Quality Care and Outcomes,” the Illinois Quality Leadership Conference cosponsored by IHA and MCHC, will be held on May 15-16 at the Hilton in Lisle. The program will provide hospital leaders with the knowledge they need to respond to fast changing quality performance initiatives in the increasingly complex public reporting environment.

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BRIEFLY NOTED

- Thanks to all the IHA members who participated in National Healthcare Decisions Day on April 16. A list of participating hospitals and systems is on our web site.
- A letter by IHA President Ken Robbins was featured in the *SouthtownStar* April 13 in response to the newspaper’s editorial, “Loss of St. Francis a big blow for the Southland.”
- The Dept. of Healthcare and Family Services has issued a notice on data that hospitals must submit for eligibility determination for rate year 2009 Medicaid Disproportionate Share, Medicaid Percentage Adjustment, Critical Hospital Adjustment, and County Trauma Center Adjustment payments. For information, [click here](#).
- CMS Deputy Administrator and former AHA vice president Herb Kuhn is the new acting director of the Medicaid program at CMS, replacing Dennis Smith.
- **Correction:** AHA’s *TrendWatch* report found that Illinois hospitals spent \$12.5 billion on salaries and benefits in 2006, not \$12.5 million as stated in the April 11 *Reporter*.

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