

the Reporter

January 8, 2010

THIS WEEK'S HEADLINES

[**DEMS BYPASS FORMAL CONFERENCE ON REFORM
IHA TO HELP MEMBERS WITH "MEANINGFUL USE"
REGISTERING OF ILLINOIS LOBBYISTS ON HOLD
STATE'S FISCAL WOES CONTINUE
GOVERNOR SIGNS HEALTH INSURANCE BILL
DEADLINE EXTENDED FOR IHA ECONOMIC SURVEY
JAN. 10-16 IS INFLUENZA VACCINATION WEEK
BRIEFLY NOTED
STUDIES AND SURVEYS IN THE NEWS**](#)

DEMS BYPASS FORMAL CONFERENCE ON REFORM

Although the U.S. House is scheduled to officially reconvene Jan. 12, and the Senate on Jan. 19, President Obama and Democratic Congressional leaders already are in negotiations on health care reform, bypassing a formal House-Senate conference. They are trying to merge the two bills more quickly and avoid potential Senate Republican parliamentary tactics. House leaders say there are about two dozen issues to be reconciled, including a public plan option and subsidy levels. However, with Senate passage hinging on the votes of all 60 members of the Democratic caucus, a final bill is expected to more closely mirror the Senate version.

While Republicans continue to strongly criticize the process and the plans, the House is expected to make the agreed-to changes to the Senate's plan (H.R. 3590), pass the bill and return it to the Senate for passage and sending to the President. The targeted passage date is scheduled for the end of January or early February, prior to the State of the Union address.

IHA remains committed to meaningful reforms and working with our congressional delegation to address concerns so that hospitals can continue providing high quality health care by linking payment reductions and the level of coverage reached, particularly in the Medicare hospital payment update and in Medicare and Medicaid DSH programs. Additional key efforts include pressing Congress for an approach to readmissions that will not penalize hospitals for unavoidable readmissions. We are also urging our congressional delegation to ensure that any expansion of Medicaid be fully funded by the federal government and not place further financial burdens on Illinois.

www.ihatoday.org

THIS WEEK'S MAIL

[IHA 2010 Education Calendar](#)

[ICT Trust Newsletter:](#)

[January 2010](#)

[TO: CEOs; Human Resources;
Safety Managers](#)

[IHFSTRB Notices](#)

[TO: CEOs; VPs, Planning,
Marketing & Business
Development](#)

[This Week's Mail Archive](#)



CALENDAR OF EVENTS

Jan. 19: [National Patient
Safety Goals 2010 Update:
Ensuring Compliance](#)

Jan. 19: [Design and
Implementation of an
Effective Nonprofit Tax
Compliance Program](#)

Jan. 20: *William Ward
Webinar Series:* [Equipment
Budgeting and Acquisition](#)

Jan. 21: [Complying with
EMTALA 2009: Additional
Regulations](#)

Jan. 25: *Trustee Webinar:* [The Quality Committee of the
Board Part II - Taking it to the
Next Level](#)

Jan. 28: [Outpatient Market
Positioning Strategies -
Maximizing Effectiveness and
Increasing Volume Demand](#)

Jan. 28: [Assuring Fair Market
Value for Hospital-Based
Specialty Contracts - What
Hospital Executives Need to
Know](#)

[Education Programs](#)

[Governance Education](#)

IHA has formed a Federal Health Reform Task Force made up of member CEOs from throughout the state to analyze the impact of health reform on Illinois hospitals and guide the Association in setting priorities and helping members respond to reform. The task force, co-chaired by past Board chairs Harry Wolin, Administrator and CEO, **Mason District Hospital**, Havana and Jim Skogsbergh, President and CEO, **Advocate Health Care**, Oak Brook, will hold its first meeting Feb. 16.

[\(top of document\)](#)

IHA TO HELP MEMBERS WITH "MEANINGFUL USE"

The U.S. Dept. of Health and Human Services (HHS) late last month issued two sets of federal regulations that list the "meaningful use" criteria that health care providers must meet in order to qualify for federal funding of health information technology (HIT) projects under the American Recovery and Reinvestment Act of 2009. IHA will provide educational conference calls on Jan. 13 and 14 to clarify the complex issues in the regulations and to solicit comments from IHA members as the Association prepares to submit comments on the proposed regulations, which are subject to a 60-day public comment period.

One set of regulations lists the meaningful use criteria that health care providers must meet to qualify for federal HIT subsidies based on how they use their electronic health records (EHRs). The second set specifies the standards and certification criteria that EHRs must meet for their users to qualify for additional Medicare and Medicaid payments beginning in 2011. For more details on the regulations and the comment periods, [click here](#).

In a statement commenting on the rules, AHA expressed concern that the rules will severely limit hospitals' ability to access federal financing for health information technology and put many hospitals at risk for Medicare payment penalties beginning in 2015. IHA members have also expressed concerns regarding issues with vendors and whether their HIT staff can implement the new requirements. IHA's conference calls are intended to help members with these and related issues. To register, [click here](#) for the Jan. 13 call or [here](#) for the Jan. 14 call. For more information, contact [Pat Merryweather](#).

[\(top of document\)](#)

REGISTERING OF ILLINOIS LOBBYISTS ON HOLD

The Illinois Secretary of State's Office has put a hold on lobbyist registrations as two lawsuits challenging increases in registration fees make their way through the court system. A [posting](#) on the Secretary of State's web site says the registration system is not available because of a temporary restraining order entered by a federal judge prohibiting

imposition of the higher fees on lobbyists for non-profit organizations.

The posting indicates that “registration will be made available as soon as possible, consistent with further orders of the court. Any lobbyist or lobbying entity that registers within the first two weeks after registration becomes available will automatically be registered retroactive to January 1, 2010. The deadline for filing the annual expenditure report for 2009 will be extended accordingly.”

As part of ethics reform, the General Assembly had agreed last spring to require lobbyists to pay \$1,000 to be registered, up from \$150 or \$350, depending on the lobbyist.

IHA will continue to keep members informed of any new developments.

[\(top of document\)](#)

STATE'S FISCAL WOES CONTINUE

Illinois Comptroller Dan Hynes issued a [report](#) this week saying the state has \$5.1 billion in unpaid bills as of the end of December, as well as another \$1.4 billion in additional Medicaid and Group Health Insurance obligations not yet submitted by the Department of Healthcare and Family Services. With the state also facing the repayment of \$2.25 billion in short-term loans beginning in March, Hynes says Illinois “will continue to confront record bill payment delays, debt and the most dangerous fiscal conditions in modern history.”

Hynes’ office writes the checks to pay the state's bills. He’s also running for governor in the Feb. 2 Democratic primary against Pat Quinn. Gov. Quinn says the state will pay more of its bills later this month when the state does a round of borrowing.

Meanwhile, legislation is now pending in the Illinois House that would provide the Governor an additional five weeks before he must submit his state budget proposal to the General Assembly. **Senate Bill 1425**, which goes to a committee hearing on Jan. 11, would give the Governor until the fourth Wednesday in March (March 24) to present his budget, instead of the usual third Wednesday in February (Feb. 17).

Fitch Ratings has placed Illinois on watch for a possible ratings downgrade for the state’s \$19 billion of outstanding long-term general obligation bonds as well as for another \$3.5 billion of debt scheduled to be sold on Jan. 8 to cover the state’s payment to employee pension funds.

Fitch says the negative watch placement “reflects the magnitude and persistent nature of the state’s fiscal problems... A key factor underlying the state’s rating is its poor financial performance. The enacted fiscal 2010 budget did not address the sizeable accumulated

deficit and relied on non-recurring measures, including the current borrowing, to close the current fiscal year budgetary gap.” Fitch estimates that the state’s cumulative deficit is projected to be more than \$9 billion or nearly one-third of general fund resources.

In December, Moody’s Investors Service and Standard & Poor’s lowered their ratings of Illinois.

[\(top of document\)](#)

GOVERNOR SIGNS HEALTH INSURANCE BILL

On Jan. 5, Governor Quinn signed HB3923 ([PA96-0857](#)), a health insurance reform bill supported by IHA, which allows hospitals to appeal coverage denial decisions affecting their insured patients to an outside, independent external review organization. The legislation essentially extends HMO consumer protections to all consumers in state-regulated health plans. The law, effective July 1, 2010, includes:

- Provisions for external reviews of adverse insurance determinations of PPOs and insurance carriers;
- Reporting requirements for insurers on medical loss ratio related information; and
- Creation of a uniform small employer group questionnaire and an individual health statement that insurers must use to evaluate the health status of individuals, as part of a universal application that small businesses and individuals can use when they are trying to buy insurance.

IHA worked to ensure that the legislation did not call for hospital rate regulation or place hospitals at a disadvantage in the external review and appeals processes.

[\(top of document\)](#)

DEADLINE EXTENDED FOR IHA ECONOMIC SURVEY

Member hospitals are asked to return the [IHA survey](#) sent out in December regarding the impact of the economic downturn on Illinois hospitals. The survey deadline has been extended to Jan. 15. The brief survey will assist IHA in showing how the economic downturn is affecting your hospital and hospitals across the state and will help IHA ensure that the needs of hospitals are a top priority for the Governor, the General Assembly, and the Dept. of Healthcare and Family Services. Last spring’s survey was answered by nearly 70% of our members and was widely distributed to the media and legislators. For more information or to see if your hospital has submitted the survey, contact [Jo Ann Spoor](#).

[\(top of document\)](#)

JAN. 10-16 IS INFLUENZA VACCINATION WEEK

With experts warning of a possible third wave of H1N1 flu cases, the Dept. of Health and Human Services has declared next week [National Influenza Vaccination Week](#) in order to increase the number of Americans who are vaccinated against the H1N1 flu. Hospitals are encouraged to host flu vaccination clinics and other events to encourage participation.

Meanwhile, HHS Secretary Kathleen Sebelius [announced](#) this week that the nation's first health security strategy will focus on protecting the health of Americans during a large-scale emergency. "As we've learned in response to the 2009 H1N1 pandemic, responsibility for improving our nation's ability to address existing and emerging health threats must be broadly shared by everyone –governments, communities, families and individuals," Sebelius said. "The national health security strategy is a call to action for each of us so that every community becomes fully prepared and ready to recover quickly after an emergency."

[\(top of document\)](#)

BRIEFLY NOTED

- | Jim Skogsbergh, President and CEO of **Advocate Health Care**, Oak Brook, will lead the American Hospital Association's Section for Health Care Systems in 2010 as chair of its 20-member governing council. He previously served as IHA Board chair in 2008.
- | The Illinois Dept. of Healthcare and Family Services (HFS) will hold eight 2010 Outreach Tour Sessions from Jan. 22 through March 9 at hospitals throughout the Chicagoland area. Policy updates will be available on FamilyCare; All Kids, All Kids and FamilyCare Rebate; Moms & Babies; Illinois Healthy Women; Illinois Breast & Cervical Cancer Program; Illinois Warrior Assistance Program; Veterans Care; Health Benefits for Workers with Disabilities; and Child Support. The full schedule and registration is [available online](#). [Click here](#) for a summary of HFS provider notices released in November and December.

[\(top of document\)](#)

STUDIES AND SURVEYS IN THE NEWS

- | Cardiovascular disease and stroke will cost the U.S. more than \$500 billion in health care costs and lost productivity in 2010, an increase of nearly 6%, according to the American Heart Association's [Circulation](#). The report says 59% of adults in a 2008 national survey described themselves as physically inactive, and fewer than half of people with heart disease symptoms are receiving cholesterol-lowering drugs such as

statins.

- 1 A [report](#) by the Centers for Disease Control and Prevention National Center for Health Statistics found that nearly 20% of Americans – almost 60 million people – had no health insurance at some point since January 2008, and nearly 32 million did not have insurance for more than a year. Two-thirds of those without coverage at some point were unemployed adults. Hispanics, men and young adults aged 18-24 were most likely to lack coverage. Children enrolled in government health insurance programs rose from 34.2% in 2008 to 37.4% in the first half of 2009, but 8.2% of children still lack health coverage, according to the study.

[\(top of document\)](#)