

the Reporter

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WURTH MEETS WITH GOVERNOR

IHA President Maryjane Wurth and Sr. Vice President Howard Peters met with Governor Pat Quinn earlier this week to discuss key issues of concern to the hospital community. In a wide-ranging discussion during the Dec. 1 breakfast meeting, Wurth emphasized the importance of hospital projects in the state's capital program (\$150 million has been included for hospitals in the program) and asked the Governor to release hospital capital projects early as a way to create construction job opportunities. She also urged the Governor to make a permanent increase in the state's federal Medicaid matching rate a top priority.

Gov. Quinn said that he has already talked to the state's congressional delegation about the critical need for an enhanced Medicaid matching rate for the state and that he plans to bring the issue up again with the delegation when he goes to Washington before the end of the year. The Governor indicated that he is open to the concerns and views of the hospital community. He noted that he appreciates the importance of hospitals not only as the place people turn to in times of crisis for their health care needs and in times of natural or man-made disasters, but also as major sources of jobs and as economic engines for their communities. The Governor also agreed with Wurth that state government can help boost the health care sector by addressing the need for more nurses, pharmacists and other health care professionals as a priority in the state's workforce development efforts.

Wurth's meeting with the Governor was the latest in a series of meetings she has been holding with key state leaders. Previously, she met with Senate President John Cullerton (D-Chicago) and Attorney

[THIS WEEK'S MAIL](#) [IHA 2009 Annual Report](#)

[Use of Electronic Communications for Union Activity](#)
TO: CEOs; CIOs; Human Resource Directors

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[Quality and Public Reporting Developments](#)
TO: CEOs; CMOs; CNOs; Quality Directors; COMPdata Contacts; PR Directors; Community Relations Directors

[This Week's Mail Archive](#)



CALENDAR OF EVENTS
Dec. 8: [Treating Sexual Assault Survivors and Partners of Patients - New Legislation](#)

Dec. 9: [IHA Small & Rural Quality Series: Quality Counts - Implementing Quality Improvement Strategies](#)

Dec. 9: [Building a Foundation for Best Practice Nursing Succession Planning](#)

Dec. 10: [Fifty Tips to Reduce Medication Errors - Complying with CMS and The Joint Commission Standards](#)

Dec. 15: [Health Care Reform: What Does it Mean for Health Care Leaders?](#) (sponsored by Orlikoff Reinertsen Boardworks)

Dec. 16: [William Ward Webinar Series: Developing a Business Plan](#)

General Lisa Madigan. Next week, Wurth, along with members of the IHA Board's Executive Committee and the IHA PAC Board, will meet with Republican gubernatorial candidate Kirk Dillard (Hinsdale), currently the Minority Caucus Whip in the Illinois Senate.

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SENATE DEBATES AMENDMENTS TO REFORM BILL

Democratic and Republican U.S. Senators this week agreed to begin voting on amendments to [health reform legislation](#) on Thursday, but Majority Leader Harry Reid (D-Nev.) warned his caucus of a difficult time ahead. He reemphasized the goal of completion of the bill, saying weekend work through the holidays may be necessary. Republicans countered they were reluctant to rush through a bill that would restructure about one-sixth of the U.S. economy.

Among the first measures to be considered are a bipartisan amendment addressing preventive health care services for women – which the Senate approved on Thursday – and a motion made by John McCain (R-Ariz.) to return the bill to the Finance Committee to eliminate nearly \$500 billion in cuts to health care providers and insurers over 10 years. A great deal of the opening debate has centered on whether Medicare spending reductions in the bill would harm seniors' access to care. More than 40 amendments have been offered to date.

Now is an important time to contact Illinois Senators Durbin and Burris and ask them to support specific changes in the bill, including increasing the number of people insured (or lowering hospital payment reductions) as agreed by the hospital community and the Senate Finance Committee; narrowing the hospital readmissions policy; and working toward a non-governmental, non-profit co-op approach instead of the national public insurance plan in the current bill. In addition, urge them to oppose any attempt to extend the Independent Medicare Advisory Board's authority to impose additional hospital payment cuts. [Click here](#) for more information and to send an email to the Senators.

IHA is sending members information about the hospital-specific impacts of the Senate health reform bill. For an updated summary comparing the Senate and House health reform bills, see our [web site](#).

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HOSPITALS FACE RISING UNDERPAYMENTS

The latest data from AHA's Annual Survey of Hospitals shows that underpayment by Medicare and Medicaid to U.S. hospitals reached \$32.4 billion in 2008, up from \$3.8 billion in 2000 and \$31.9 billion in 2007. Hospitals were reimbursed 91 cents for every dollar they spent caring for Medicare patients and 89 cents for Medicaid patients. The

AHA also reported that hospitals' uncompensated care has risen from \$21.6 billion in 2000 to \$34 billion in 2007 and to \$36.4 billion in 2008.

The data are summarized in two AHA Health and Hospital Trends [fact sheets](#), one on uncompensated care, and one on underpayment by Medicare and Medicaid.

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ECONOMISTS SAY TAX HIKES NEEDED FOR ILLINOIS

The University of Illinois [Institute of Government and Public Affairs](#) (IGPA) Illinois Report 2010, which will be released in February, warns that the only solution to the state's budget crisis is tax increases. The team of IGPA economists who wrote the report say the best solution is a two-pronged plan that would boost revenue by raising the state income tax and expanding sales-tax receipts through a new tax on certain services.

"In the end, I think we have to face up to the fact that Illinois has to have higher taxes," said Daniel McMillen, a co-author of the report. "Budget cuts can't close a gap this wide and worsening. It's just not possible with major expenses like pension and Medicaid obligations that you simply can't reduce." An income tax increase would ease the state's over reliance on sales tax, McMillen said. "It's better to have a mix of taxes rather than to rely on any one tax too heavily. We have a relatively low income tax rate and we have a sales tax that is not very broad based."

According to a recent study by the Pew Center on the States, Illinois is one of nine states now heading for economic disaster similar to California's fiscal crisis, with a budget deficit of at least \$11 billion.

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QUINN ESTABLISHES PUBLIC HEALTH ADVOCATE

Gov. Pat Quinn signed an [executive order](#) on Nov. 21 establishing a state Public Health Advocate to champion wellness programs and help combat diseases such as diabetes and asthma. The position will use existing staff, programs and resources and will be part of the Illinois Dept. of Public Health (IDPH).

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H1N1 FLU HOTLINE OFFERS BILINGUAL ADVICE

Trained medical professionals are now available to answer medical questions about H1N1 influenza that come into IDPH's [Illinois Flu Hotline](#) through a partnership with the Illinois Poison Center. The

move is expected to help reduce the number of calls to hospitals, local health departments and providers, and allow doctors and nurses more time for vaccinations and patient care. The number for the Illinois Flu Hotline is 866-848-2094 for English and 866-241-2138 for Spanish.

In addition, IDPH has warned of an H1N1 email phishing scam that refers to a CDC-sponsored vaccination program. [Click here](#) for details.

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IHA SURVEY ON RECESSION'S IMPACT ON MEMBERS

A survey was sent to IHA members this week regarding the impact of the economic downturn on Illinois hospitals. The short 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 Department 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. The survey results helped IHA make a compelling case for supporting hospitals, leading to a \$470 million increase in the Medicaid appropriation for hospitals in the FY2010 state budget, inclusion of hospitals in the state capital program, and special legislation in the Veto Session that will bring hospitals \$155 million in Medicaid stimulus funds.

The survey deadline is Dec. 18. For information, contact [Jo Ann Spoor](#).

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IHA ANNUAL REPORT PUBLISHED

IHA's 2009 Annual Report, *Proud to Serve... YOU*, which highlights IHA's major accomplishments of the past year, has been mailed to member hospitals and is available on our [web site](#). The report shows how members and the association worked together and emerged from a highly challenging year with Medicaid funding not only protected, but increased. The report includes a message from IHA President Maryjane Wurth and describes how IHA worked on members' behalf during 2009 by raising awareness of the issues facing Illinois hospitals, generating legislative and community support, and providing timely information, educational opportunities, and business solutions. For additional copies of the report, please contact [Linn Newton](#).

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BRIEFLY NOTED

- | The U.S. Centers for Medicare and Medicaid Services announced a change in the procedure for requesting medical record limits by Medicare Recovery Audit Contractors. Under the new guidelines, a 45-day record request limit will be established for each hospital campus, based on the organization's tax identification number and zip code. IHA will provide members more information about the new guidelines as it is released.
- | IHA has learned that the Illinois Dept. of Healthcare and Family Services will be issuing a Request for Proposal by Jan. 1, 2010, seeking to contract with two HMOs to deliver integrated care to adults in the Aid to the Aged, Blind and Disabled (AABD) population, who are not eligible for Medicare. This new initiative will include individuals in DuPage, Kane, Kankakee, Lake and Will counties and the suburbs of Cook County (with non-606XX zip codes). IHA will continue to keep members apprised of any new developments.
- | Consumers Union, the publisher of *Consumer Reports*, recently updated its [web site](#) with information on hospital-specific performance from the federal Hospital Compare information and state-specific information on hospital acquired infections, drug safety and medical errors. See IHA's [memo](#) to members for more information.
- | IDPH has announced the beginning of its roll-out of the new electronic fingerprint background checks. Facilities in the initial ten northwestern counties that participated in the pilot program should be registered with the Health Care Worker Registry by now. The department will continue to send announcements as each new phase of the geographic roll-out begins. [Click here](#) for more specific information or contact [Jonna Veach](#) at IDPH.
- | It's not too late to register for the IHA Webinar, "Treating Sexual Assault Survivors and Partners of Patients – New Legislation," on Dec. 8. Personnel from the ED, infectious disease, pharmacy and patient billing areas should attend. If you are unable to register by credit card via our online registration, we will be happy to invoice you for the registration fee. [Click here](#) for more information and to register. For questions, contact [Barb Haller](#) at 630-276-5474.

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STUDIES AND SURVEYS IN THE NEWS

- | A new [report](#) from the Medicare Payment Advisory Commission (MedPAC) finds that the quantity of services provided to Medicare beneficiaries with comparable needs varies significantly throughout the country. The report emphasized that regional variation in service use is not the same as regional variation in Medicare spending. Regions of [Illinois](#) ranged from 91% (Bloomington-Normal) to 109% (Chicago-Naperville-Joliet) in service use per beneficiary as a percent of the national average. The MedPAC paper stated that "although

service use varies less than spending, the amount of services provided to beneficiaries with similar resource needs still varies substantially.”

- 1 According to a [report](#) by the Robert Wood Johnson Foundation, consumer confidence in health care was the highest in October that it had been since the survey began in April 2009. Fewer people are concerned about losing their health insurance coverage, and most people believe that health care reform will mean the same or better access to care.

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