President's Budget Proposes Deep Cuts to Medicaid

President Donald Trump released a $4.1 trillion budget proposal on May 23 that would make deep cuts to Medicaid and other programs for the poor, while providing billions for defense spending and border security.

According to analysis from the American Hospital Association (AHA), the budget calls for a savings of $627 billion over the next decade, of which $610 billion is attributable to cuts to Medicaid. The budget also assumes $250 billion in savings from the repeal of the Affordable Care Act (ACA). Medicaid savings would be achieved by giving states the option of restructuring Medicaid through either a per capita cap or a block grant. The federal government would also give states the authority to impose work requirements on Medicaid recipients.

Advocates for the poor and healthcare leaders across Connecticut expressed dismay about the president’s budget proposal, saying it would undermine the nation’s safety net for its poorest citizens.

“Connecticut hospitals are deeply concerned about the president’s proposed budget, which would cut billions over the next 10 years from Medicaid, a healthcare lifeline for low-income Americans and many people in nursing homes,” said Jennifer Jackson, CEO, CHA. “If enacted by Congress, this budget would gut healthcare for the poor, and shift too much of the burden onto states like Connecticut, which already has one of the lowest Medicaid reimbursement rates in the nation. We urge lawmakers in Washington to reject this draconian spending plan and protect our most vulnerable citizens.”

Other programs targeted by the budget include the food stamp program, which would be reduced by $191 billion, and the Temporary Assistance for Needy Families program, which the president proposes to cut by $22 billion. In addition, the budget would cut Social Security disability benefits by nearly $70 billion over the next decade by encouraging and, in some cases, requiring people who receive benefits to re-enter the workforce.

Further, on May 24, the Congressional Budget Office (CBO) estimated that, under the House-passed legislation to repeal and replace parts of the ACA, 51 million people under age 65 will lack health insurance in 2026. That’s 23 million more than under current law.

Rick Pollack, President and CEO of AHA, issued a statement following the release of the CBO report, saying that the estimates included in the report "only reinforce our deep concerns about the importance of maintaining coverage for those vulnerable patients who need it."

“In the absence of any other government estimate, the CBO analysis will inform policymakers about financial and coverage impacts. As we have said, any health reforms must be guided by ensuring that millions of people across the country don’t lose access to their health care coverage. We cannot support legislation that the CBO clearly indicates would jeopardize that coverage for millions of Americans. We continue to urge the Senate to work together in a manner that provides coverage to those who need it and ensures that the most vulnerable are not left behind,” Mr. Pollack said.

CT Healthcare Association Collaborative Advocates Against Federal Healthcare Changes

CHA and its partners in the Connecticut Healthcare Association Collaborative continue to advocate against changes to federal healthcare funding that would hurt patients, and to educate lawmakers about Medicaid and other issues.

In a letter sent on May 19 to members of Connecticut’s Congressional delegation, members of the Collaborative said they “remain deeply concerned about the impact that the American Health Care Act (AHCA) passed by the House of Representatives will have on Connecticut patients, providers, and communities.”
"We believe that the repeal of the Affordable Care Act and the proposed changes to the Medicaid and Medicare programs contained in this bill will adversely affect our members and the people they serve," the letter continued. "We are opposed to repealing the ACA without a replacement that ensures access, coverage and pathways to payment models to achieve better outcomes, higher quality, and reduced cost."

The letter specifically asked that any restructuring of the Medicaid program ensure continued access to healthcare, and be designed so that providers are appropriately reimbursed for the care they provide. It also expressed concern about the proposal to change Medicaid to a block grant or per capita cap financing system, saying “this change in the financing system will threaten the security of millions of people who count on the program throughout their life span, including in their later years, and further threatens the financial viability of many of the providers who care for them.”

The letter was signed by members of the Collaborative: James Iacobellis, Senior Vice President, Government and Regulatory Affairs, CHA; Matthew Barrett, President and CEO, Connecticut Association of Health Care Facilities; Ken Ferrucci, Senior Vice President of Government Affairs, Connecticut State Medical Society; Deborah Hoyt, President and CEO, CT Association for Healthcare at Home; and Mag Morelli, President, LeadingAge Connecticut.

Additionally, members of the Collaborative will host a legislative reception, entitled “Medicaid is a Lifeline,” on Tuesday, May 30, from 3:00 p.m. – 5:00 p.m., in Room 310 of the State Capitol.

The event, which will focus on the significant lifeline provided to Connecticut citizens by the Medicaid program, is one of a series of forums designed to inform legislative and state policy makers on issues impacting the state’s healthcare provider community.

**Psychiatric Services Report Issued to the Legislature**

The state Department of Mental Health and Addiction Services (DMHAS) submitted to the legislature this week a Psychiatric Services Report, which examined the adequacy of the state’s mental health system and made a series of recommendations to improve services for those with mental illness.

The report was mandated by Section 356 of Public Act 15-5, which included some of CHA's mental health recommendations. The study targeted specific areas for review, including inpatient, diversionary, and community services, and examined the complex relationship between inpatient bed capacity and the comprehensiveness of community resources needed to divert and re-integrate patients into the community.

Among its many findings, the report concluded that one benefit of having strong and supportive community mental health systems is better bed access. It also found that although Connecticut has one of the highest state-operated per capita bed capacities in the nation, and that state-operated inpatient beds are well utilized, turnover for those beds has slowed over the past five years. This is due to a number of factors, including an increase in the need for more beds at Whiting Forensic, the existence of more complex patients, and the absence of a statewide system for tracking real-time bed availability.

The report makes 11 recommendations, including creating a real-time bed availability system; establishing standards for placing patients on the state-operated wait list for a bed; regionalizing and managing adult respite beds through a centralized tracking system; improving discharge planning at state-operated community inpatient facilities; increasing the availability of high-intensity residential programs; and using Community Care Teams (CCTs).

CHA and its member hospitals continue to advocate for the regional establishment of CCTs, an evidence-based, integrated model of care that was created to help treat and care for persons suffering from chronic and persistent medical and mental health conditions. CCTs have been shown to better treat those most in need of comprehensive medical and mental healthcare, as well as ease the burden on hospital EDs and encourage collaboration among hospitals and community providers.

**St. Vincent’s Medical Center Announces Leadership Transition**

Vicki Briggs, FACHE, has been appointed President and Chief Executive Officer of St. Vincent’s Medical Center, effective July 1, 2017. Ms. Briggs will succeed Vincent Caponi, FACHE, who recently announced plans to retire.

"I would like to thank the extraordinary group of medical professionals, staff, and Connecticut residents who made me feel at home during my tenure at St. Vincent’s and will no doubt continue to inspire me in my future endeavors," said Mr. Caponi. "Vicki has been a vital partner by my side here, and her passion and commitment are unmatched. She is well equipped to lead St. Vincent’s into the future."

"Vicki is an experienced, values-inspired healthcare executive with a record of results in patient and associate satisfaction, operating performance, and growth in the numerous organizations she has led," said Patricia A. Maryland, DrPH, President, Healthcare Operations and Chief Operating Officer, Ascension Healthcare. "We’re pleased that she has agreed to take on the leadership of St. Vincent’s."

Most recently, Ms. Briggs has been serving as Chief Operating Officer of St. Vincent’s and, along with the executive leadership team, she has helped lead the hospital’s transformation as it navigates the rapidly changing healthcare environment.

"Since my arrival to St. Vincent’s, I have been inspired by our associates’ and physicians’ commitment to our mission, our patients, and the community," said Ms. Briggs. "St. Vincent’s has been a beacon of hope and care since 1905, and continuing that critical role is a responsibility that I take on with great humility and reverence."
From 2011 to 2014, Ms. Briggs served as Executive Vice President and Chief Operating Officer at St. Vincent's Health System in Birmingham, Alabama, a member of Ascension. Before rejoining Ascension in 2016, she led her own hospital and healthcare provider consulting firm. Over the course of her career, Ms. Briggs has had responsibility for 22 hospitals – from small rural, critical access and community hospitals, to specialty and large tertiary and teaching hospitals. She has been a speaker on healthcare for numerous organizations, including the American Hospital Association, the American College of Healthcare Executives, the New Horizons Cardiovascular Conference, the Dallas Morning News Distinguished Lecture Series, the Greater Birmingham Chamber of Commerce, the Healthcare Financial Management Association, The Joint Commission, and the Alabama and Louisiana Hospital Associations.

Ms. Briggs holds a Master of Business Administration from the Brock School of Business, Samford University, Birmingham, Alabama, and a Bachelor of Science in Accounting from Nicholls State University, Thibodaux, Louisiana. She was named the Brock School of Business alumnus of the year in 2013 and served on the Brock School of Business Advisory Council. She also serves as Chair of the Greater Southeast Affiliate of the American Heart Association and as Development Co-Chair and Chair-elect of The Woman's Fund of Greater Birmingham.

Education Updates

How to Ensure a Healthcare Compliance Program is Really Effective
Friday, June 16, 2017
9:00 a.m. - 12:00 p.m.
[View Brochure] [Event Registration]

This program will cover the latest industry enforcement trends including developments on compliance program effectiveness. It will also provide an in-depth discussion on how to mitigate key risk areas such as coding, billing, and privacy. Participants will be provided tips on how to demonstrate the effectiveness of a compliance program and participate in an interactive discussion on these topics.

Continuing education credits will be provided. Please see the brochure for details.

Managing the Operating Budget
Tuesday, June 20, 2017
9:00 a.m. - 3:00 p.m.
[View Brochure] [Event Registration]

In today’s healthcare environment, resources are limited. Managers are challenged to get the most out of their budgeted resources and comply with budgetary constraints. The need for sound budget management tools is paramount. Managers must understand revenue and costs behavior, how to analyze their departmental performance, and how to modify performance to achieve their budgeted operational and financial objectives.

This day-long program—part two of a two-part series that began in April 2017—will introduce managers to a variety of analytic tools (revenue and spending analysis, volume-adjusted variance analysis, work process and root cause analysis, and revenue and expense forecasting) as well as a number of strategies to improve revenue and expense performance. Bill Ward, a lecturer on financial management in healthcare, will present this program.

Continuing education credits will be provided. Please see the brochure for details.

Financial Analysis Tools for Managers
Wednesday, June 21, 2017
9:00 a.m. - 3:00 p.m.
[View Brochure] [Event Registration]

What is the potential financial impact of a new initiative or a new technology? How can the financial impact be determined? Why is departmental supply spending so much higher than last year? Does it make sense to staff a critical vacancy with agency staff? Is the employment of clinical pharmacists, intensivists or hospitalists financially sound?

What are the best ways to develop answers to these questions? How can department managers and directors make and support their decisions with sound financial analyses?

This full-day program provides managers and clinicians with tools they can use to answer these and other operational questions about current performance and strategic opportunities they are considering. Bill Ward, a lecturer on financial management in healthcare, will present this program.

Continuing education credits will be provided. Please see the brochure for details.