Pivotal Week in Fight For Hospital Funding as State Nears Budget Compromise

In a pivotal week for Connecticut hospitals fighting to have crucial funding restored, several significant advocacy efforts received widespread media attention, including the release of an economic analysis showing the benefits of state investment in hospitals and the request for declaratory rulings on the constitutionality of the hospital tax.

Those actions occurred as state lawmakers and Governor Malloy continued to hammer out a budget reduction agreement in advance of a special session that could occur as early as next week. The state is attempting to close a $350 million to $370 million shortfall in the current budget.

Since he took office in 2012, Governor Malloy has been responsible for $1.3 billion in cuts and taxes to hospitals. In September, the Governor announced an additional $240 million in cuts, prompting CHA to launch a multi-media advocacy campaign. That campaign includes print, television, radio, and digital ads, and a new website, www.StopTheCutsNow.org, containing a petition calling on Governor Malloy to reverse his recent cuts to hospitals.

A milestone in the campaign occurred this week when CHA announced its petition had received more than 10,000 signatures in support of hospitals. The petition has received signatures from residents of Hartford, Bridgeport, Waterbury, Putnam, Torrington to New London, and all points in between.

Jennifer Jackson, CEO, CHA, released the following statement about the petition:

“The outpouring of public support on our petition shows that Connecticut residents recognize and support Connecticut hospitals and oppose Governor Malloy’s devastating hospital cuts. The Governor’s actions – slashing critically needed funding – have already cost people jobs and forced hospitals to cut back services. The success this petition has seen shows that Connecticut residents are standing with the hospitals.”

The severity of the cuts, and the long-ranging impact of the hospital tax, have resulted in job loss and are expected to result in longer hospital wait times, less access to care, overcrowded emergency departments, fewer cancer screenings, and higher healthcare costs for everyone.

Because of those looming consequences, CHA filed letters with the Departments of Social Services and Revenue Services on November 30, seeking declaratory rulings from the agencies on whether the so-called “provider tax” on hospitals is constitutional. That tax, which was instituted in 2011 as a way to bring in additional federal Medicaid payments, has instead become a $556 million annual levy on hospitals.

In an effort to help lawmakers find better solutions to the state’s budget problems, CHA released an economic analysis from the Connecticut Center for Economic Analysis (CCEA) at the University of Connecticut revealing that the state can make close to $35 million per year, and spur job growth and our economy, by investing in hospitals rather than taxing them.

The CCEA study found that by returning the tax dollars to hospitals, as the state originally intended, more than 6,600 jobs would be created, the state would get an additional $373 million from the federal government, and new jobs would lead to increased sales, income, and other related tax revenue that would result in a $30 million surplus to the state.

In a statement urging legislators to support the plan, Jennifer Jackson said:

“Hospitals are a huge economic driver in Connecticut, contributing $21.9 billion annually to our economy. This study shows hospitals can be part of the solution to the state’s budget troubles. By investing in, rather than taxing, our hospitals, we can generate jobs and bring in tens of millions to our state every year.”

Federal Report Shows Hospitals Steadily Improving Patient Safety

Avoidable hospital-acquired complications (HACs) declined by 17% from 2010 to 2014, according to a federal report released on December 1, representing 87,000 lives saved and nearly $20 billion in reduced healthcare costs.

The report from the Agency for Healthcare Research and Quality tracks the rates of preventable HACs like adverse drug events, catheter-associated urinary tract infections, pressure ulcers, central line-associated bloodstream infections and surgical site infections.

The Department of Health and Human Services attributed the substantial progress in safety improvements to the “concerted attention by hospitals throughout the country to reduce adverse events,” such as activities related to the Partnership for Patients initiative and other Medicare quality incentive programs.

AHA President and CEO Rick Pollack praised hospitals for their commitment to averting patient harm, saying, “While there is always more work to be done to improve patient safety, the collaborative efforts of hospitals and HHS have delivered great results that will continue to help the field on the quality improvement journey.”

The report shows that while hospitals have made progress in some areas, they have not made as much headway averting complications...
that have broader causes and less clear-cut solutions. The report also shows that the rate of avoidable complications, while 17% lower than in 2010, was the same as in 2013, which is mixed news. Although it indicates that some safety improvements seem to be sticking, it also raises concerns that further improvements might be harder to achieve.

CHA and all Connecticut hospitals participated in the Partnership for Patients initiative, completing participation in the first round of the program in December 2014. Connecticut was a consistently top-performing state. In its summary, HRET estimated that over the course of the project, Connecticut reduced events of preventable harm by 9%, with more than 13,400 events prevented. Because of these demonstrated results, CHA and Connecticut hospitals were selected in September to continue efforts to reduce preventable hospital-acquired conditions and readmissions in the next phase of the HRET Hospital Engagement Network Partnership for Patients initiative, HEN 2.0.

Connecticut is one of many state hospital associations and health system organizations included in round two of this program. CHA is coordinating Connecticut hospital participation, continuing to use the high reliability methods that have been adopted across Connecticut healthcare organizations.

Johnson Memorial Hospital Announces State Approval to be Acquired by Trinity Health - New England

On November 25, the state Department of Public Health's Office of Health Care Access approved the acquisition of assets of Johnson Memorial Hospital, by Trinity Health - New England, a member of Trinity Health. Trinity Health - New England will also acquire assets of several affiliated organizations, including Johnson Health Care and Home and Community Health Services.

Johnson's formal affiliation with Saint Francis dates back to July 2012, when the organizations signed an Affiliation Agreement resulting in the establishment of Johnson Memorial Health Care and Home and Community Health Services.

This past January, Johnson Memorial Hospital announced an Asset Purchase Agreement with Saint Francis Care (the previous parent company of Saint Francis Hospital and Medical Center, Mount Sinai Rehabilitation Hospital and Sisters of Providence Health System in Springfield, Mass. Trinity Health - New England is a member of Livonia, Michigan-based Trinity Health, one of the largest multi-institutional Catholic health care delivery systems in the nation. Johnson Memorial will be the fourth hospital to join Trinity Health - New England and the 89th hospital to join Trinity Health.

"With this acquisition, we will further the vision of Trinity Health to expand our delivery of compassionate, people-centered healthcare to the New England region," said Christopher M. Dadlez, President and CEO, Trinity Health - New England. "This union ensures the preservation of Johnson Memorial's viability and ongoing patient access to healthcare services close to home."

"This alliance preserves a critical community asset, allowing us to continue providing healthcare to the community, as well as serving as a significant contributor to the local economy," said Stuart E. Rosenberg, President and Chief Executive Officer at Johnson Memorial Hospital. "As part of Trinity Health - New England, our employees and patients can be assured of continued access to the hospital's 103-year legacy of providing uninterrupted healthcare services."

Documents transferring ownership of Johnson to Trinity Health - New England are expected to be signed by Dec. 31. A ceremony to formalize the closing of the transaction is anticipated for January, 2016.

"From a financial perspective and access to care, it was critical to us that Johnson remain part of the Connecticut health care safety net," stated Patrick Mahon, Chair, Johnson Board of Directors. "We have been actively pursuing a healthcare partner for several years and Trinity Health - New England was the system of choice. Approval to complete this acquisition ensures the community will continue to benefit from healthcare services for many years to come."

This past January, Johnson Memorial Hospital announced an Asset Purchase Agreement with Saint Francis Care (the previous parent company of Saint Francis Hospital and Medical Center, Mount Sinai Rehabilitation Hospital and its other providers). At that time, the hospital filed for bankruptcy for the second time in eight years. The acquisition by Trinity Health - New England terminates Johnson's bankruptcy proceedings and its outstanding debt will be assumed by Trinity Health - New England at the final closing in late December.

Since the announced Asset Purchase Agreement 11 months ago, Saint Francis Care has been acquired by Trinity Health and is now operating as Trinity Health - New England.

Johnson Memorial Hospital will maintain its own Board of Directors focused on the respective needs of its community. The regional health ministry will be governed by a regional board of directors comprised of local community representatives as well as physician and Catholic organization representatives with ties to the region.

Johnson's formal affiliation with Saint Francis dates back to July 2012, when the organizations signed an Affiliation Agreement resulting in a mutually beneficial relationship that has provided the community with a sustainable, high-quality health care resource.

On November 25, Saint Mary's Health System in Waterbury filed its Certificate of Need with OHCA and, after anticipated regulatory approval next year, will become a member of Trinity Health - New England.

Saint Mary's Health System Files Certificate of Need Application

Saint Mary's Health System filed a Certificate of Need application with the state Office of Health Care Access (OHCA) on November 25. The application outlines Saint Mary's plans to join the new Trinity Health - New England Regional Health Ministry, which includes Saint Francis Care in Hartford, Johnson Memorial Medical Center in Stafford Springs, and the Sisters of Providence Health System in Springfield, Mass. OHCA has 30 days to review the application and request additional information. Saint Mary's will have an opportunity to respond to questions before the application is deemed complete by OHCA. The state agency then has 60 to 90 days to complete its review and hold a public hearing.

Saint Mary's signed an agreement with Trinity Health and Saint Francis Care on September 18.

Veteran Republican Legislator Not Seeking Re-election

State Senator Clark Chapin, (R-New Milford) announced on November 23 that he would not seek re-election to the 30th Senate District seat he has held since 2014. Prior to his election to the Senate, Senator Chapin served 12 years in the Connecticut House of Representatives.

Saint Mary’s signed an agreement with Trinity Health and Saint Francis Care on September 18.
This member-requested management development program provides managers with the skills and tools they need to prepare better survival skills for both managers and organizations.

CPT codes—including all major changes by body system, changes in diagnostic imaging, radiation oncology, and laboratory, plus revised annually with codes that are added, deleted, or revised. This workshop will focus on the 140 new, 134 revised, and 91 deleted CPT and HCPCS codes are the primary codes that describe individual hospital services that are billed to all payers. These code sets are procedures, and support physician efforts to help patients make smart and effective care choices. The initiative focuses on promoting Choosing Wisely is an initiative of the American Board of Internal Medicine (ABIM) Foundation to address the overuse of tests and procedures that are often performed together as well as new and revised coding guidelines. The workshop will also cover all changes to the HCPCS code set which is maintained by CMS. Each program participant will receive a comprehensive manual that outlines all the key code changes in 2016.

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

Unplanned readmissions remain a problem in Connecticut and our first program will address unplanned readmissions by addressing palliative care in the hospitals. The program Approaches to Palliative Care will be held at CHA from 9:00 a.m. to 4:00 p.m. on Tuesday, December 15, 2015. Our keynote speaker is Rosemary Gibson, who was the chief architect of the Robert Wood Johnson Foundation’s decade-long strategy that successfully established palliative care in more than 1,600 hospitals in the U.S. She is the recipient of the Lifetime Achievement Award from the American Academy of Hospice and Palliative Medicine. She will be followed by a panel highlighting the palliative care programs at Hartford Hospital, Greenwich Hospital, and Danbury Hospital. After lunch, we will have a workshop to teach doctors and patients should discuss. Vanderbilt University Medical Center has been implementing Choosing Wisely recommendations on select inpatient services engaging staff, from first-year residents to senior hospital leaders. Our guests from Vanderbilt will provide an overview of their experience including successes, challenges, and outcomes.

This program is being held in partnership with Middlesex Hospital, the Connecticut Choosing Wisely Collaborative, Qualidigm, and the Connecticut Partnership for Patient Safety.

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

Education Updates
Basics of Budgeting for Healthcare Managers
Tuesday, December 8, 2015
9:00 a.m. - 3:00 p.m.
View Brochure | Event Registration

Choosing Wisely: Vanderbilt’s Experience
Wednesday, December 9, 2015
8:00 a.m. - 10:00 a.m.
View Brochure | Event Registration

Approaches to Palliative Care
Tuesday, December 15, 2015
9:00 a.m. - 4:00 p.m.
Event Registration

Changes in CPT/HCPCS for 2016
Wednesday, December 16, 2015
9:00 a.m. - 12:15 p.m.
View Brochure | Event Registration

Senior Senator Chapin currently serves as the deputy minority leader and co-chairman of the Regulation Review Committee. He also serves as ranking member of the Environment Committee, a position he has held since 2003, and as a member of the Appropriations Committee.

The 30th State Senate District includes Brookfield, Canaan, Cornwall, Goshen, Kent, Litchfield, Morris, New Milford, North Canaan, Salisbury, Sharon, Torrington, Warren and Winchester.

In other legislative news, Bridgeport Mayor Joe Gamin (D) appointed Rep. Charlie Stallworth (D-Bridgeport) this week to serve as his senior adviser and director of community outreach and diversity. First elected in a 2011 Special Election, Rep. Stallworth, an ordained minister, serves as a member of the Finance, Revenue and Bonding, Human Services, Banks Committees.
Continuing education credits will be awarded. Please see the brochure for more details.

**OPPS Final Rule for 2016**
Wednesday, December 16, 2015
1:00 p.m. - 4:15 p.m.
[View Brochure](#) | [Event Registration](#)

The Centers for Medicare and Medicaid Services (CMS) has published the Outpatient Prospective Payment System (OPPS) Final Rule for 2016. The 2016 OPPS Proposed Rule contained a drastic increase in the number of services that will be classified as comprehensive APCs which will dramatically increase Medicare’s packaging of supportive services. Overall OPPS payments are proposed to drop by 1.9% for the first time in the history of OPPS. This workshop will cover how these changes impact hospital reimbursement and help to underscore the need for capturing all reportable costs. As always, billing compliance will be an important part of the presentation.

Each program participant will receive a comprehensive manual that outlines the final changes for 2016.

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

**Perinatal Conference**
Thursday, January 7, 2016
9:00 a.m. - 4:00 p.m.
[Event Registration](#)

CHA is partnering with the Connecticut Perinatal Quality Collaborative, the March of Dimes, and DPH for the next perinatal conference. Elizabeth A. Deckers, MD, Medical Director, Labor and Delivery and Postpartum Services at Hartford Hospital and a national expert on peripartum (maternal) hemorrhage, will be the keynote speaker. Her presentation will be followed by a panel discussing ways to improve neonatal outcomes.

The program is being presented as part of the Partnership for Patients HEN 2.0 educational series.