Happy Holidays from the Connecticut Hospital Association

FY 2018 Deficit Mitigation Plan Released

On December 13, Governor Dannel Malloy released a Deficit Mitigation Plan (DMP) to close an estimated $208 million deficit in FY 2018. The plan calls for a series of cuts and revenue increases totaling more than $300 million, including raising the sales tax rate to 6.9 percent, increasing the tobacco tax, increasing other taxes, cutting municipal aid by $50 million, and making funding reductions to healthcare, social services, and other programs.

No cuts to supplemental payments were proposed in the DMP.

DMP-related documents can be found here and here.

In a letter to legislative leaders, Governor Malloy specifically mentioned cuts not made, including the deferral of hospital rate increases, the closure of regional state offices, and additional burdens to higher education. The Governor indicated it would be hard not to make these cuts and closures without supporting his proposed revenue increases.

In total, the DMP contains $189 million in revenue increases and $113 million in spending cuts, including:

- A $2.5 million cut ($500,000 FY 18; $2 million FY 19) to the Department of Development Services for emergency placements for individuals with an array of medical and mental health problems and social service needs.
- A $6 million cut ($2 million for substance abuse services and $4 million for mental health services) to the Department of Mental Health and Addiction Services grants for substance abuse and mental health services.
- The elimination of Medicaid payments for Graduate Medical Education.
- The elimination of the sales tax exemption for non-prescription drugs.
- A $50 million cut in municipal aid, to be taken either from the Education Cost Sharing program or from the casino proceeds the state shares with cities and towns.
- A $5.1 million cut from a non-education, property tax relief grant for municipalities.
- A $16 million cut in FY 18 to health and human services programs, including eliminating all funding to community health centers.
- Cuts to home care programs.

The DMP would increase revenue by:

- Increasing the sales tax rate from 6.35% to either 6.5% or 6.9%.
- Removing the sales tax exemption for non-prescription medicines.
- Creating a 7% sales tax rate on restaurant transactions.
- Increasing the cigarette tax by 25 cents, increasing the cigar tax by $1.00, and imposing a 75% excise tax on e-cigarettes.
- Raising real estate conveyance tax rates.
• Eliminating the minimum bottle pricing on alcoholic beverages and allowing the sale of wine in grocery stores.

Under state law, the Governor is compelled to craft a DMP whenever the General Fund is projected to run more than one percent in deficit, but the legislature is not required to act upon any plan.

Bipartisan Agreement Reached to Restore Medicare Savings Program Funding

On December 12, legislative leaders reached a bipartisan agreement to adopt changes to the state budget to restore funding in full for the Medicare Savings Program in fiscal year 2018.

The agreement will assist 113,000 low income senior citizens and disabled patients.

Right now, seniors can receive full benefits if they earn as much as $25,447 per year. But according to the state budget, starting in January, full benefits will only be provided to people earning less than $12,060 per year. Those who earn more than that amount would lose the subsidies that help pay for Medicare Part B premiums, deductibles, and co-insurance.

At time of publication, legislative leaders were considering their options to come into Special Session to address cuts made to the Medicare Savings Program and the deficit.

Possible Vote Next Week on Federal Tax Reform

Republican leaders in Congress have finalized a consensus tax reform bill and are planning to vote next week on the Tax Cuts and Jobs Act.

The American Hospital Association has advocated against the Act on behalf of hospitals nationwide. Among its concerns, the AHA seeks to protect the individual mandate, access to tax-exempt bond financing, and the interest expense deduction for debt, among other items.

Governor Malloy has expressed his opposition to the Act for its negative effects on healthcare for families in Connecticut, saying, “For the vast majority of families across our nation – and especially for those in Connecticut – this legislation is not a tax cut, but rather a full-out assault on working people. It deals a serious blow to affordable healthcare by repealing key provisions of the Affordable Care Act, which will leave 13 million more Americans uninsured and raise health insurance premiums at the same time.”

Lt. Governor Wyman added, “Among the serious failures of the Republican tax plan is the repeal of the Affordable Care Act healthcare mandate… Healthcare is a fundamental right. The Republican tax plan threatens years of progress to make it affordable and accessible for all.”

In addition, Congress still has to decide on critical legislation that would fund the Children's Health Insurance Program, extend expiring Medicare provisions, and stabilize the private health insurance marketplace.

Flu Level Elevated in Connecticut

Influenza cases have been rising across the nation and here in Connecticut. The Connecticut Department of Public Health is reporting that flu cases have reached elevated levels both in the Emergency Department and outpatient settings.

Statewide ED visits attributed to the “fever/flu syndrome” are at 5.2 percent, which is above the level of five percent statewide, generally considered the minimum threshold when there are elevated influenza-associated ED visits.

The predominant influenza viruses identified so far this season are Type A, although there is a small percentage of Type B influenza viruses in circulation.

Vaccination is a best practice for patient and healthcare worker safety. In 2011, the CHA Board adopted a statewide policy endorsing mandatory influenza vaccination for hospital personnel as part of CHA hospitals’ commitment to patient safety. To date, the vast majority of acute care CHA member hospitals in Connecticut have implemented a mandatory participation or mandatory vaccination program.

CHA is participating in the fourth-annual United Against the Flu campaign, which uses social media outreach to bring national attention to the need for flu vaccinations. United Against the Flu is a collaborative effort undertaken by several national healthcare organizations, including the American Hospital Association and the Centers for Disease Control and Prevention, to emphasize the importance of being vaccinated.

Education Update

Medicare Annual Update
Thursday, December 21, 2017
1:00 p.m. - 4:00 p.m.

View Brochure | Event Registration
This program, co-sponsored with the Connecticut Chapter of Healthcare Financial Management Association (HFMA), features presentations by the National Government Services (NGS) and Reimbursement Alliance Group. Representatives from NGS will share its annual cost report update, including information on S-10, wage index, occupational mix, treatment of bad debts, PS&R reports, and more. Representatives from Reimbursement Alliance Group will focus their presentation on MACRA and MIPS, including information on the OPPS Final Rule, section 603, updates from Washington D.C., and more.

This session is designed for reimbursement staff from acute care hospitals.

**Issue-Based Forum: Patient Access Rights and Release of Information**

**Wednesday, January 17, 2018**

9:00 a.m. - 12:00 p.m.

[View Brochure](#) | [Event Registration](#)

CHA members are invited to attend an issue-based forum intended to assist hospitals with achieving understanding and compliance related to patient access rights and release of information, including an emphasis on the nuances specific to substance use treatment records. There is no cost associated with this event, which is intended for a broad hospital audience.

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**Decrease Early Elective Deliveries**

**Tuesday, January 23, 2018**

9:00 a.m. - 12:15 p.m.

[View Brochure](#) | [Event Registration](#)

In partnership with CHA, the March of Dimes, and the Anthem Foundation, the Improving Knowledge to Decrease Early Elective Deliveries (INDEED) project is working to decrease the average early elective delivery rate of 3% in Connecticut—which is above the national average of 2%. The Decrease Early Elective Deliveries conference will provide best practices to achieve this goal.

This conference is designed for prenatal care providers, obstetricians, labor and delivery nurses, and others who work with this patient population.

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**Prematurity Prevention: Increasing the Utilization of 17-Hydroxyprogesterone and Low Dose Aspirin Among Eligible Pregnant Patients in Connecticut**

**Tuesday, January 23, 2018**

1:00 p.m. - 4:00 p.m.

[View Brochure](#) | [Event Registration](#)

Premature birth is a complex issue, for which many of the causes are still being researched. However, there are a handful of evidence-based interventions that have proven beneficial for a great number of eligible patients. Join CHA's Connecticut Perinatal Quality Collaborative and the March of Dimes for a conference on increasing identification of women at risk for preeclampsia and repeat pre-term birth, and collectively informing efforts aimed at the elimination of barriers to access these treatments.

The keynote presentation will be given by Jay Iams, MD, Emeritus Professor of Obstetrics and Gynecology, Ohio State University, Wexner Medical Center, Obstetrical Lead, Ohio Perinatal Quality Collaborative, Principal Investigator, OSU NICHD Maternal Fetal Medicine and Nullipara Research Networks.

17-hydroxyprogesterone (17P) and low dose aspirin are among the eight interventions promoted nationally by the March of Dimes, with an aim to reduce the U.S. pre-term birth rate to 8.1% by 2020 and 5.5% by 2030.

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**2018 Joint Commission Standards and National Patient Safety Goals Update**

**Wednesday, January 31, 2018**

9:00 a.m. - 4:30 p.m.

[View Brochure](#) | [Event Registration](#)

National expert Diana Scott, Sr. Director, Vizient, will present CHA's annual full-day program outlining The Joint Commission’s new standards and national patient safety goals for 2018, with strategies for compliance. Ms. Scott will also review survey process changes, patient safety and Sentinel Event alerts and tips, and CMS focus areas, as well as best practices for a successful survey. Mark A. Crafton, MPA, MT(ASCP), Executive Director of State & External Relations, at The Joint Commission (TJC), and Jennifer M. Hoppe, MPH, Senior Associate Director, State and External Relations at TJC, will discuss new process for surveyors to determine the severity of non-compliance with all accreditation and certification requirements, and a new report format that will more clearly illustrate priority issues impacting patient safety. Attendees will also receive information on compliance data on challenging accreditation standards in Connecticut hospitals.