



Today's News Friday, March 04, 2011

Med-Mal Debate

The case study of how New York Presbyterian Hospital/Weill Cornell slashed its medical malpractice payout costs from obstetrics cases (see box) was used as ammunition against med-mal reform at yesterday's joint legislative hearings on Medicaid. Sen. John DeFrancisco (R-Syracuse) blasted the Medicaid Redesign Team's med-mal proposal and its exclusion of members outside health care as "simply unfair" in a fiery exchange with GNYHA President Ken Raske. Mr. DeFrancisco then latched on to Presby's case study. "They've got all kinds of examples of incredible savings in money and human carnage," he said, adding that Presby "has a much better idea and fairer idea to keep costs down" than the MRT's med-mal reforms. His comments could foreshadow the reaction of lawmakers who oppose the med-mal proposal. The med-mal bill language was finalized in the late afternoon. Nypirg's Blair Horner said his group filed a Freedom of Information Law request yesterday with the Cuomo administration for data on how it arrived at the \$250,000 cap on pain and suffering, which Nypirg opposes.

Disagreement on Living Wage

The home care industry put a price tag of more than \$400 million on the home care worker wage-parity proposal recommended by the Medicaid Redesign Team. The wage-parity plan for home care workers is viewed as a victory for 1199 SEIU but was attacked by some home care agency interests at yesterday's joint legislative hearings on Medicaid. The MRT proposal (No. 61) aims to cut turnover among home care workers by mandating that all certified home health agencies, long-term home health care programs and managed long-term care providers "comply with any local living wage law within a geographic area in which they serve Medicaid recipients." Sen. John DeFrancisco (R-Syracuse), in questioning state Medicaid Director Jason Helgerson at yesterday's legislative hearings on Medicaid, asked, "Do you think it's prudent at this time in history for \$400 million in wages when we're supposed to be cutting costs?" Mr. Helgerson said the money would come from greater efficiencies at CHHAs, not from taxpayers. Christine Johnston, president of the New York State Association of Health Care Providers, said the draft bill suggested the cost to the industry would be more than \$400 million because of new language that added benefits as well as a living wage.

Too Many CHHAs?

The Medicaid Redesign Team's proposal No. 5 transitions long-term certified home health agency patients to managed long-term care for savings of \$100 million in the next fiscal year. The plan would slash utilization, which is fine with Home Care Council President Joseph Campanella. He pointed to a proliferation of CHHAs, special needs CHHAs and the Long Term Home Health Care Program. Some of these have lost their original mission and some have evolved into money-making entities, Mr. Campanella said, adding that costs at a number of new CHHAs are "shamefully" high. According to the MRT, Medicaid paid \$1.35 billion in state CHHA claims in 2009. More than \$1.2 billion of that was spent in New York City, where the average paid claim per patient grew to \$23,253 from \$11,867 in 2003—a 96% increase. "These agencies are cherry-picking patients who don't need much care" and are getting a per-capita fee from Medicaid, Mr. Campanella said. "They are sending recruiters out to senior centers and signing people up," then successfully convincing city officials that patients need a higher level of service than they actually require, he asserted.

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OB initiative stopped deaths, lawsuits

Safety could be the answer to curbing rising medical malpractice costs in obstetrics, a new study has suggested. New York Presbyterian Hospital/Weill Cornell started a comprehensive OB patient-safety program in 2002, and the results were dramatic, according to an article written by a team of Weill obstetricians led by Dr. Amos Grunebaum that appeared in the February issue of the *American Journal of Obstetrics & Gynecology*.

Sentinel events—such as avoidable deaths and serious injuries—dropped to zero in 2009 and 2008 from five in 2000. Med-mal payouts shrank from an annual average of about \$28 million between 2003 and 2006 to \$2.6 million between 2007 and 2009.

The hospital's revisions ranged from equipment updates to rigorous training in new protocols. One of the easier moves was replacing the unit's dry-erase whiteboard used to communicate patients' progress with an electronic application that can be accessed through any Internet browser. No paper charting is allowed—in order to not only improve communication but leave a clear legal record in case of a bad medical outcome. Furthermore, the use of several drugs administered during labor has been stopped or limited.

Some costs were incurred in staffing changes, according to the article. A full-time patient-safety nurse has been charged with staff education and other tasks, including emergency drills. To guard against doctors' being sleep-deprived, the unit hired three physician assistants and a doctor to serve as a "laborist" on nights and weekends.

The savings in compensation payments "dwarf the incremental cost of the patient safety program," the authors concluded. The study is at <http://www.scribd.com>.

At a Glance

WHO'S NEWS: Karen Westervelt was named special policy adviser for primary care development at the state Department of Health. She was executive director of the Ryan/Chelsea-Clinton Community Health Center from 2004 to 2011. She previously worked at DOH, including a post as director of the Office of Executive and Advisory Council Operations.

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