Last month, the American College of Emergency Physicians released its report showing that Arkansas’ emergency care system graded as the worst among all states. Coincidentally, the report came at a time when the Arkansas Trauma Care Advisory Council is actively ramping up renewed efforts to address needs for a statewide trauma care network.

With those two actions serving as a catalyst, the Arkansas Hospital Association (AHA) convened a February 16 meeting of representatives from a half dozen hospitals across the state and staff members of the state Department of Health and Human Services’ Section of Emergency Medical Services and Trauma Systems (EMSTS) within the Division of Health. They are responsible for emergency services issues. The discussion centered on the lack of any designated trauma centers in the state and the steps that must be taken in order to establish an effective trauma care network for Arkansas.

The Arkansas Board of Health adopted a set of Rules and Regulations for Trauma Systems in 2002, but no hospitals have volunteered to meet those standards yet, for several good reasons. Those include the added costs for which there is no extra reimbursement and the difficulty in getting cooperation of needed specialists who must be available in the facilities or on call to care for trauma-related cases.

Other issues involve the type of trauma registry that the EMSTS is using, the cumbersome requirements for case data that must be reported to the registry, liability concerns that hinder voluntary participation by many specialty physicians, and squabbles among insurers about which group is the primary payer on many trauma cases.

Participants agreed that legislation will be required to clear many of those hurdles. In the meantime, the EMSTS office will continue to investigate how a statewide trauma system can best be attained. The most immediate task will be to collect information that can be used to support a request during a future legislative session for laws that will better enable and help to finance a true trauma care network. The AHA workgroup will continue to meet as necessary to review new information as it becomes available.

Don’t Send Medicaid Recoveries Yet

On January 30, EDS, Arkansas’ Medicaid fiscal intermediary, mailed a letter to each Arkansas hospital as a notification about the pending recovery of payments made on emergency room (ER) claims that were later denied upon review by the Arkansas Foundation for Medical Care. The claims date back to September 1, 2003, when Arkansas Medicaid changed its policy for reviewing ER services. The Medicaid office informed the Arkansas Hospital Association last Thursday that some hospitals responded to the notification letter by returning a check to Medicaid for the overpayment amount. Those payments were premature.

EDS will send out a report containing more detailed information about the individual claims on March 1, 2006. Medicaid has asked that hospitals NOT submit payment until they have received that letter from EDS. Hospitals wishing to do so should return a check with a copy
of the report at that time. Questions should be directed to the contact person who signed the hospital’s January 30 letter.

Tell Arkansas Delegation Budget’s Impact

An American Hospital Association (AHA) analysis of President Bush’s proposed budget for fiscal year 2007 that includes $36 billion in Medicare cuts would mean reducing future Medicare payments to Arkansas hospitals by approximately $157 million between FYs 2007 and 2010. The figures include about $73 million in losses due to planned reductions in Medicare’s annual update factor in FYs 2007, 2008 and 2009 for inpatient and outpatient services, $36 million related to a freeze in the update factor for inpatient rehabilitation services, and almost $48 million due to a four-year phase-out on Medicare bad debt reimbursements across all types of hospitals.

The White House budget also includes other cuts not modeled in the AHA analysis. Those include a freeze in the payment update for skilled nursing facilities and home health services for 2007, and an update of market basket minus 0.4% in FY 2008. Plus, there would be an overall Medicare spending cap which if exceeded would require automatic across-the-board cuts to all provider payments. Those could be significant cuts, if required.

With that in mind, Arkansas hospital leaders should be contacting the state’s senators and representatives asking that they oppose the budget proposal and identifying how the cuts will impact their hospitals. The Arkansas Hospital Association will distribute a list later this week showing the hospital-specific impact.

While hospitals make those contacts, the Coalition to Protect America’s Health Care is running TV, radio and print ads strongly protesting the proposed cuts (see related article below). The radio and TV ads began appearing in Washington, DC last week and, starting February 20, expanded into markets in seven states. In addition, the AHA is supporting a letter that’s being circulated by Rep. John McHugh (R-NY) and Jim Gerlach (R-PA) asking Republican colleagues to sign a letter urging House leaders to protect patients and hospitals from these proposed cuts.

Coalition Gears Up Advertising Campaign

The Coalition to Protect America’s Health Care is sponsoring a new set of print, radio and television ads aimed at telling members of Congress and all Americans how the future Medicare cuts proposed by President Bush in his fiscal 2007 budget plan would harm communities and patients. The Coalition is the organization of hospitals; national, state and metro hospital associations; and businesses originally formed five years ago to educate the public on hospital and healthcare issues and to reverse some of the unintended consequences of the 1997 Balanced Budget Act. Due to the expense involved with the new campaign and its overall importance, the Coalition is asking allied hospital associations and individual hospitals to back this effort with their financial contributions.

The Arkansas Hospital Association (AHA) will send its member hospitals a Hotline communication this week containing information about the public education campaign along with a Fax-Back form indicating the level of support that individual organizations will agree to give. In addition, the AHA plans to distribute a list showing what the budget proposal means to each of Arkansas’ hospitals to emphasize the overall importance of getting Congress’ attention on this matter. The AHA strongly encourages all Arkansas hospitals to support the Coalition with a contribution. To view the Coalition ads and to get details on where they will be running, visit http://www.protecthealthcare.org.
AFMC Compliance Workbook Available

The Arkansas Foundation for Medical Care’s (AFMC) Hospital Payment Monitoring Program (HPMP) is making available the latest edition of the *HPMP Compliance Workbook*. This workbook is an updated version of the *PEPP Compliance Workbook*, which AFMC distributed to all Inpatient Prospective Payment System (IPPS) hospitals under the Payment Error Prevention Program (PEPP) in 2000.

The workbook focuses on the role of compliance officers regarding payment error monitoring and prevention in acute care hospitals. It was designed to give practical guidance and provide helpful tools for hospitals that are seeking to develop, update, or strengthen their compliance efforts. Information contained in the workbook can help hospitals identify and improve their compliance program structures and processes that contribute to payment errors, with emphasis on areas currently being monitored by the Centers for Medicare & Medicaid Services (CMS).

The workbook and related materials may be downloaded and printed from AFMC’s Web site at [http://afmc.org/HTML/programs/hpmp_pepp/workbook.aspx](http://afmc.org/HTML/programs/hpmp_pepp/workbook.aspx). To request a hard copy of the workbook (only one per hospital please), contact Tori Gammill, HPMP administrative assistant, at 479-649-8501, ext 248.

Section 1011 Enrollment Period Ending

Healthcare providers have until Tuesday, February 28 to enroll in the Section 1011 program if they wish to receive payments for fourth-quarter fiscal year 2005, according to Trailblazer Health Enterprises, the Centers for Medicare & Medicaid Services (CMS) contractor for the program. Section 1011 of the Medicare Modernization Act allocated $250 million in Medicare reimbursements annually through fiscal year 2008 to help reimburse hospitals for the cost of providing uncompensated emergency care to undocumented immigrants.

CMS program policy requires providers to submit enrollment applications at least 30 days prior to submitting payment requests. Fourth-quarter FY 05 payment requests must be submitted by March 29. The payment date for the quarter is May 29.

Rule Covers HIPAA Admin Standards

The Department of Health and Human Services published a February 16 final rule detailing the enforcement process for the Health Insurance Portability and Accountability Act’s (HIPAA) administrative simplification standards. The rule extends the existing regulations for investigating noncompliance with the privacy standard to all of the administrative simplification standards, and elaborates on the rules for imposing civil monetary penalties on entities that violate the administrative simplification provisions. The American Hospital Association is reviewing the rule and will issue a set of highlights to members soon.

In a related move, the Centers for Medicare & Medicaid Services has posted answers to two new frequently asked questions regarding the HIPAA’s administrative simplification standards. The first question (ID# 6595) relates primarily to the use of the proposed transaction standard for claims attachments, and whether healthcare providers can use the proposed standard ahead of a final rule. The answer is yes. The second question (ID# 6594) addresses which business structures are considered “organizations” under the final rule for National Provider Identifiers.

Go to [http://a257.g.akamaitech.net/7/257/2422/01jan20061800/edocket.access.gpo.gov/2006/pdf/06-1376.pdf](http://a257.g.akamaitech.net/7/257/2422/01jan20061800/edocket.access.gpo.gov/2006/pdf/06-1376.pdf) to see the new rule. The FAQs are located at [http://questions.cms.hhs.gov/](http://questions.cms.hhs.gov/).
Tools
Assist
Information
Technology
Adoption

The federal Department of Health and Human Services’ Agency for Healthcare Research and Quality (AHRQ) has launched a new suite of learning resources to assist healthcare providers in adopting health information technologies (IT). The tools include descriptions of AHRQ-funded research projects and emerging lessons from the field, a knowledge library with links to more than 5,000 health IT resources, and an evaluation toolkit to help those implementing health IT projects. The agency’s $166 million health IT initiative funds more than 100 projects in various healthcare settings, including hospitals.

AHRQ’s learning resources tools are available for download at http://healthit.ahrq.gov/portal/server.pt?open=512&objID=650&PageID=0&parentname=ObjMgr&parentid=106&mode=2&dummy.

Radiologic Sciences
Turning Away Applicants

Practically any listing of the hottest job prospects for the future includes an array of healthcare professions. Nursing, while it has received much attention, is only one of many healthcare professions where a shortage of workers is expected. That’s becoming more the result of a lack of qualified nursing teachers than the lack of people who want to enter the field.

Now a new survey by the American Society of Radiologic Technologists shows that radiologic sciences is another field suffering from the same problem. The study shows that educational programs in the radiologic sciences turned away almost 32,000 qualified applicants in 2005 due to capacity constraints. The survey examines enrollment trends in certificate, associate and bachelor’s degree programs for radiography, radiation therapy and nuclear medicine.

More than 600 programs responded to the 2005 survey, conducted in September and October. The number of students entering radiography and radiation therapy programs increased 5.1% and 9%, respectively, while the number entering nuclear medicine programs was roughly unchanged from 2004. That’s down from double-digit increases in each of the three programs in 2002 and 2003. More than three-quarters of program directors reported full enrollment in fall 2005. The top constraint on program enrollment was the number and staffing levels of clinical sites, followed by a lack of space and faculty.

Review the findings at http://www.asrt.org/media/pdf/research/enrollmentsurvey05.pdf.

March 2006

3 AAHE (Engineering) Quarterly Meeting, Arkansas Children’s Hospital, Little Rock
9 “Healthcare Fraud from a Target’s Perspective” Compliance Forum Workshop, Embassy Suites, Little Rock
9 AHAA (Auxiliary) Board of Directors, AHA Headquarters, Little Rock
9-10 ASHMPR (Marketing/Public Relations) Spring Conference, Lindsey’s Rainbow Resort, Heber Springs
10 AHA Board of Directors, AHA Headquarters, Little Rock
27-30 American College of Healthcare Executives Congress on Healthcare Leadership, Hyatt Regency, Chicago, IL

The AHA Calendar