AHA Celebrates 75th Anniversary October 19-21

In today’s world, patients can be treated online, hospitals and physicians may be selected by performance reports open to the public, there is a growing emphasis on a culture of safety and measurable evidence of improved outcomes and compliance rules and regulations are getting tougher. Where better to hear about all these topics, and more, than in a single two-day conference highlighted by a series of special activities?

The Arkansas Hospital Association’s (AHA) 75th Annual Meeting and Trade Show will be held October 19-21 at The Peabody Little Rock Hotel and Statehouse Convention Center in downtown Little Rock. The theme for this Diamond Anniversary conference is “Supporting a Healthier Arkansas for 75 Years.”

The AHA has planned several unique events for its 75th Annual Meeting — but we can only tell you about one. On Wednesday evening, October 19, the membership reception, sponsored by Arkansas Blue Cross and Blue Shield, will be held at the fascinating Clinton Presidential Center, just a few blocks from the Peabody. Bus transportation to and from the event will be provided. During the reception, guests will also have the opportunity to tour the library and enjoy its many remarkable exhibits.

Annual meeting educational events include:

- a three-hour ACHE Category I workshop on methods for reducing costs and optimizing processes through use of the Lean Six Sigma approach;
- a keynote address by Jamie Orlikoff detailing the trends, trials and tribulations for healthcare in the next 75 years;
- concurrent sessions on California nurse staffing ratios; the Institute for Healthcare Improvement’s 100,000 Lives Campaign and the Arkansas Foundation for Medical Care’s tasks under the 8th Statement of Work; and assessing risk by compliance officers;
- a conversation with former Senator David Pryor, now Dean of the Clinton School of Public Service;
- an accountability workshop for marketing and public relations executives;
- a panel discussion on the public reporting by three states of infection rates, medical errors and hospital charges;
- an in-depth look at physician shortages; and
- a refreshing closing session by John Cassis on “Catching a Second Wind.”

The AHA’s annual awards dinner will be held on Thursday evening, October 20, and annual meeting participants will also have the opportunity to visit exhibits of more than 100 companies and associations, as well as educational exhibits from Arkansas hospitals.

Registration information will soon be available online by clicking on http://www.arkhospitals.org/calendar.htm or calling (501) 224-7878. In the meantime, you are encouraged to make reservations at The Peabody by calling (800) 732-2639 or (501) 906-4000. Room rates are $118 for single or double occupancy.
Arkansas Lawmakers Sign Transfer Letter

Arkansas Senator Mark Pryor and Congressmen Marion Berry, Vic Snyder and Mike Ross have added their names to Dear Colleague letters being circulated in the Senate and House opposing the post-acute transfer provision of Medicare’s proposed rule for the inpatient prospective payment system (PPS) for fiscal year (FY) 2006. The rule would exponentially expand the diagnosis-related groups (DRG) affected by the post-acute care transfer policy by almost 700%, raising the number from 30 DRGs to 231.

Medicare patients classified in certain DRG categories, who are discharged to a post-acute care setting — including rehabilitation hospitals and units, long-term care hospitals and units, cancer hospitals, psychiatric hospitals, children’s hospitals and skilled nursing facilities (SNFs) — or discharged within three days to home health services, are defined as transfer cases when their acute care length of stay is at least one day less than the national average. These cases are paid a daily (per diem) rate up to the full PPS amount rather than a fixed DRG payment. If a patient has a shorter than average inpatient stay, even by just one day, the hospital is paid less than the full DRG rate.

If the proposed rule goes unchanged, it would mean that Medicare patients grouped in about 88% of all DRGs would be subject to the transfer policy. That would clearly undermine clinical decision-making and it would cut Medicare hospital payments by nearly $900 million in FY 2006 alone. Arkansas hospitals would see their Medicare payments reduced between $7 million and $9 million.

Thirty senators and 106 representatives had signed the letters as of July 15. Hill leaders continue to seek and will accept other members’ signatures through July 20. Arkansas hospital CEOs who have not done so should contact Sen. Blanche Lincoln and Rep. John Boozman, asking that they sign the letters in their respective chambers.

Arkansas AWP Implementation Clarified

The Arkansas Insurance Department has issued a directive (2-2005) regarding the state’s Any Willing Provider (AWP) laws, including acts passed in 1995 and 2005. On June 29, 2005 the 8th Circuit Court of Appeals upheld Arkansas Act 505 of 1995. That decision means that Act 490 of 2005, which the legislature enacted to become effective only if the courts ultimately held the 1995 law invalid, will not go into effect. However, Acts 491 and 960 of 2005, which cover enforcement of the previous AWP laws, will be effective as of August 12, 2005.

The directive clarifies application of the 1995 law as amended by the 2005 laws. It describes the types of group health plans subject to the laws and defines which healthcare providers are entitled AWP rights. In addition, the directive advises that every health plan and accident and health insurer give providers a written application form and description of the application process for requesting network access, instructs that the insurers provide a written description of terms that providers must meet to qualify admission to their networks and sets restrictions governing healthcare provider discrimination.

The Arkansas Hospital Association will include a copy of the directive to all member hospitals in its July 21 Thursday Mailing packet.

Arkansas Hospital Statistics

Did you know that the Arkansas Hospital Association (AHA) boasts 104 member organizations, and that those facilities have a combined 13,480 licensed beds? Or, what percent of Arkansas hospital total charges were for services provided to Medicare patients? Or, exactly how do the state’s hospitals compare with other states on financial and utilization...
indicators such as cost per patient day and operating margin? You can find all that and more in the Summer 2005 issue of *Arkansas Hospitals*, the AHA’s quarterly magazine, which is now available.

Whether you need hospital statistics, trends, numbers, charts or comparative indicators, the annual *Arkansas Hospitals* statistical issue should be your first resource. The information is intended to give readers a snapshot of the state’s hospitals and the changes that have occurred over the past year. And it should be particularly helpful to individuals from the hospital community who have the opportunity to speak to local civic clubs and organizations. The data will help fill in the facts and figures that can make those presentations more informative and interesting.

Whatever the reason, the AHA encourages you to check out the Summer 2005 issue of the magazine, which is also available on the association’s Web site at [http://www.arkhospitals.org](http://www.arkhospitals.org) or see [http://www.arkhospitals.org/statsindexsummer2005.htm](http://www.arkhospitals.org/statsindexsummer2005.htm) to link directly to the new statistical information.

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**Discharge Planning Workshop**

Coding expert Linda Easterly returns to Arkansas August 3 to present “Discharge Planning: Accomplishing Time Sensitive Transitions to the Next Level of Care.” The workshop is designed to assist acute care facility discharge planners with evaluating (and modifying, if necessary) their facility’s current discharge planning process. With shorter lengths of stay and declining reimbursement, hospitals must have a time-efficient discharge planning process. It not only yields improved patient satisfaction outcomes, but also should positively impact the facility’s length of stay while decreasing overall costs of providing care to patients.

Additionally, the workshop will assist the discharge planner in understanding Medicare and JCAHO requirements and will offer simple tools to assist in meeting the requirements. Whether you have new discharge planners or whether it is time to assess and improve your current process, this workshop will answer those needs.

Registration information is available online at [http://www.arkhospitals.org/calendar.htm](http://www.arkhospitals.org/calendar.htm) or by contacting Donna Boroughs at (501) 224-7878 or dboroughs@arkhospitals.org.

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**CAH Case Management Workshop**

In today’s acute care hospital environment, successful case management programs ensure improved patient care processes, better clinical outcomes and lower costs of care. With limited beds and an increasing demand for services in your community, this is particularly true for Critical Access Hospitals. Is your case management program producing desired results? If not, then you should send representatives to the Arkansas Hospital Association’s August 4 workshop, “Critical Access Hospital Case Management.”

The workshop details the required case management functions — clinical care, utilization, clinical resource, discharge planning and outcomes. Course content includes how to incorporate these functions into your daily processes. Additional topics specific for critical access hospitals include case management models and staffing levels, Medicare observation level of care updates and appropriate use of swing beds.

Registration information is available online at [http://www.arkhospitals.org/calendar.htm](http://www.arkhospitals.org/calendar.htm) or by contacting Donna Boroughs at (501) 224-7878 or dboroughs@arkhospitals.org.
State Groups Seek Hospital Reps

The Arkansas Hospital Association (AHA) has been asked to nominate individuals to serve on two statewide advisory groups. The Arkansas Kidney Disease Commission and the Emergency Medical Services Advisory Council have vacancies for a person engaged in hospital administration activities. Typically, when asked, the AHA provides names of three persons for a vacant position and the hospital representative is selected from those nominees. Hospital CEOs who are interested in serving on either group, or who may wish to nominate someone from their hospitals, should call AHA executive vice president Bo Ryall at (501) 224-7878 or email him at boryall@arkhospitals.org.

Trailblazer Gets Section 1011 Contract

The Centers for Medicare & Medicaid Services (CMS) announced on July 7 that it has designated TrailBlazer Health Enterprises (THE) as the national contractor for Section 1011, Federal Reimbursement of Emergency Health Services Furnished to Undocumented Aliens. The reimbursement program was established under the Medicare Prescription Drug, Improvement and Modernization Act of 2003. THE will enroll eligible providers, assist providers with enrollment and billing questions, calculate provider payment amounts and serve as the compliance contractor.

THE will also maintain a dedicated Section 1011 Internet Web site to ensure hospitals, physicians and ambulance providers are kept informed and updated on Section 1011 provider enrollment, claims processing, appeals procedures and other pertinent information. This Web site can be found at http://www.trailblazerhealth.com/section1011. In addition, the new contractor will establish a toll-free telephone number (1-866-860-1011) to respond to provider inquiries. Until its dedicated Section 1011 toll-free customer service call center is ready to receive inquiries, callers to THE will receive a pre-recorded message.

Proposed 2006 HHA Payments

The Centers for Medicare & Medicaid Services (CMS) announced on July 7 a proposed 2.5% increase in Medicare payments to home health agencies for the 2006 calendar year. The proposed update is equal to the market basket percentage — a measure of inflation — minus 0.8 percentage points, the update set by Congress in the Medicare Modernization Act of 2003.

CMS also is proposing adopting revised market area definitions that are used to adjust payments for geographic differences in wage levels and other costs. With the use of these new definitions, CMS estimates that rural home health agencies will see a 3.5% increase in payments, and urban home health agencies will see a 2.3% increase. Comments on the proposed payment change are due to CMS by 5 p.m. on September 6. CMS’ proposed rule is available at http://www.cms.hhs.gov/providers/hha/cms1301p.pdf.

2005 Flu Vaccine Advice

The expert panel that advises the Centers for Disease Control and Prevention on immunization practices recently issued its latest recommendations for flu vaccine administration. The 2005 recommendations include changes or updates regarding vaccination of healthcare workers and people prone to respiratory complications; use of the live, attenuated vaccine (LAIV) in vaccine shortage situations; and use of antiviral drugs for flu treatment.

Among its recommendations, the advisory committee is urging all healthcare workers to be vaccinated annually and healthcare facilities to use approaches that maximize vaccination rates, such as using standing orders for patients and offering free, on-site flu vaccination to
all employees starting in October each year, with particular focus on those who care for patients at high risk for complications.

The committee is also encouraging healthy healthcare workers under 50 to opt for the LAIV — a live vaccine delivered as a nasal spray — if the inactivated vaccine is in short supply, but only if they can avoid contact with severely immunosuppressed patients for at least seven days. The panel said it would publish additional guidance for prioritizing use of the inactivated vaccine in a shortage. To see the panel’s recommendations, go to http://www.cdc.gov/mmwr/preview/mmwrhtml/rr54e713a1.htm.

The AHA AHA Calendar

July 2005
26 Basic/Intermediate ICD-9 Coding Workshop, Holiday Inn Presidential Conference Center, Little Rock
27 Basic/Intermediate CPT Coding Workshop, Holiday Inn Presidential Conference Center, Little Rock
28 ASDVS (Volunteers) Summer Workshop, AHA Headquarters, Little Rock

Newsnotes About Arkansas Folks

Terry L. Amstutz has been named administrator of Magnolia City Hospital, succeeding Kirk Reamey who accepted the position of CEO of Ozark Health Medical Center in Clinton. Prior to moving to Magnolia, Amstutz was CEO of Morrison Community Hospital District in Morrilton, Illinois and was CEO of Community Medical Center of Izard County in Calico Rock from 1990-2001.

Jim Richardson has been named president and chief executive officer of Saline Memorial Hospital in Benton. He has served as the interim CEO since February, and joins SMH with over 20 years of experience in hospital administration. He is a former CEO of Medical Park Hospital in Hope, as well as for hospitals in Texas and Louisiana.

Ian Watson, CEO of Great River Medical Center (formerly Baptist Memorial Hospital) in Blytheville, has announced the appointment of Andrea Conley as administrator of SMC Regional Medical Center (formerly Baptist Memorial Hospital) in Osceola. She was the director of medical review services for the Blytheville facility since 1985. Watson said, “Andrea’s combination of knowledge and experience in hospital operations, especially quality improvement, made her a logical choice. In addition, we will benefit from all the relations she has established over the years working at both hospitals.”

David Wheeler has been named administrator of Eureka Springs Hospital. With a professional background in surgical nursing and staff administration, he will be working towards a master’s degree in healthcare administration through St. Francis University in Joliet, Illinois. He is a former administrator of Bossier Specialty Hospital in Bossier City, Louisiana.

Cindy McClain, CEO, Select Specialty Hospital – Fort Smith, was named to Arkansas Business’ annual “40 Under Forty” list which recognizes intriguing business and political leaders under the age of 40. In March 2004, the Danville native was named CEO of the 32-bed long-term acute-care facility. McClain previously was director of patient services and medical records at Baptist Health Medical Center and Baptist Health Rehabilitation Institute in Little Rock.
I noticed that the Coca-Cola Company, in trying to build interest for a new product, has re-invented one of its hugely popular TV ads from the past. The original spot, which aired more than 30 years ago, featured a group of young people on a hilltop singing about bringing the world closer together. Remember? I’d like to teach the world to sing in perfect harmony. I’d like to buy the world a Coke and keep it company? Too bad it’s not that easy.

A more practical way to foster a better understanding among people throughout the world can be found right here in Little Rock at the Arkansas International Center (AIC), which is affiliated with the University of Arkansas at Little Rock. The AIC is part of an exchange program sponsored by the U.S. Agency for International Development that brings people from foreign countries to America to learn about the different aspects of life and work here.

These exchange trips are geared for leaders in various professions. Most are from Asia and the Near East, with a heavy emphasis on people from Russia and the Ukraine. The AIC program brings up to 300 foreign visitors annually to Arkansas, where they meet professional counterparts in fields such as agriculture, state and local government, journalism, social services and economic development.

Little Rock was the destination of a recent group of Russian healthcare professionals to visit in the state. They included four physicians, whose primary focus is on healthcare administration, and a facilitator. Their objective was to learn about Arkansas hospitals and its healthcare system.

The visiting Russians included Dr. Vladimir Medvedev, who heads the urological department at the Regional Diagnostik and Treatment Center, Rostov-on-Don; Dr. Svetlana Rodnyanskaya, an anesthesiologist at Kazan City Hospital; Dr. Sergey Tomachinskyi, administrator of the Tyumen region of the Government Treating Preventive Establishment; Dr. Yelena Voronina, head of the neurology department, Polsky District Hospital in the Vladimir Region of Russia; and facilitator Margarita Balamakova.

During their weeklong stint in the capitol city, the delegation spent time at several healthcare organizations, including the University of Arkansas for Medical Sciences and its Arkansas Cancer Research Center, Baptist Health, the State Medical Board and a local clinic, among others.

Last Wednesday the Russians visited for an hour with the Arkansas Hospital Association (AHA). They wanted to know about topics such as the organization, composition, governance and role of the AHA and hospital associations in general; hospital ownership and control; government oversight of hospitals; and relationships among healthcare providers, payer organizations and regulators.

The physicians agreed that possibly the most important rule for delivering quality healthcare is to have an adequate supply of well-trained, compassionate caregivers who provide the day-to-day, hands-on services to patients, and that Rule No. 2 ought to be ensuring the future availability of that workforce. Manpower shortages create puzzling issues in both countries.

The topic that captured the most interest was the coordination and cooperation among hospitals and various government agencies on emergency preparedness efforts. All seemed impressed by the regional emergency readiness planning underway in the state and indicated that they both understood and could relate to the growing frustration over future funding of these activities.

It was a fascinating 60-minute conversation with the spotlight on common interests and goals. While there’s nothing wrong with sharing a Coke and a smile, the better way to bring people closer might be found in more of these face-to-face encounters. Connecting with people and building relationships — now, that’s the real thing.