

# ENROLLING FOR 2016



The audience listens to comments from Karla Thomas of the Community Health Center of Buffalo at the Western New York summit.



A breakout group discusses outreach strategies at the Capital District summit.



Panelists at the Staten Island summit. Left to right: Rev. Terry Troia of Project Hospitality (moderator), Cristina Clavijo of Make the Road NY, Rev. Karen Jackson of Project Hospitality, Fritz Tavarez of Healthfirst, and Mike Tyburczy of Oscar Health Plan.

Kelvin S. Sapp of New York State of Health and Sandra Jean-Louis of Public Health Solutions, at the Brooklyn Queens summit.



Funding for healthcare providers is always a critical issue, especially when funding is threatened by Federal cuts. Congress has agreed to spending increases in exchange for cuts to social services, including Medicare.

The Healthcare Education Project (HEP) strongly opposes cuts that would directly affect three major areas of hospital activity: Graduate Medical Education for residents, preparation and readiness for any future Ebola incidents, and payments to hospitals for outpatient services. In rallying to protect healthcare providers from cuts, HEP is defending the needs of communities served by these providers who would be badly affected by any reduction of these vital services.



The Massachusetts delegation met with Senator Elizabeth Warren.



1199 members met with Rep. Sean Patrick Maloney of New York's 18<sup>th</sup> District.

## On December 9, 2015, HEP led a team of 1199 SEIU members from New York State, Massachusetts, and Maryland to Washington, D.C., to meet with their elected representatives in Congress.

Members urged their Congressional representatives to reject these damaging cuts which, they emphasized, were cuts to hospitals and providers that serve the most vulnerable populations.



1199 members were addressed by Donna Brazile, Vice Chair of Voter Registration and Participation of the Democratic National Committee.



Members voice their concerns on proposed healthcare cuts to Rep. Yvette Clarke of New York's 9<sup>th</sup> District.

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## WHY GRADUATE MEDICAL EDUCATION MATTERS

Teaching hospitals provide a residency program to train graduates from medical school. This training lasts from three to eight years, depending on the specialty selected, and physicians learn to practice independently. The New York metropolitan area trains approximately one in seven of the nation's medical residents.

In the next decade we will realize major changes to the medical care landscape as the demand for doctors will exceed the number available. One-third of all physicians will retire. At the same time, millions of Americans will have gained health coverage under the Affordable Care Act and more baby boomers will continue to enter the Medicare program.

It is in this context that one must view the possible cuts to Medicare. Since 1965 when it was created, Medicare has partly funded Graduate Medical Education (GME). The amount a hospital receives is directly tied to the amount of care it provides to Medicare beneficiaries. The funding helps cover costs incurred by teaching hospitals.

### WHAT WE ARE ASKING FOR:

- ✓ Do not cut funding for teaching hospitals. Most of them are already losing money on Medicare GME, which is underfunded by more than \$2 billion annually.
- ✓ Lift the cap on the number of medical residents in training supported by Medicare funding. If teaching hospitals want to expand their residency programs, they are forced to bear the costs without any Medicare GME support.
- ✓ Support those in Congress pushing for legislation to increase Medicare funding rather than reduce it.

## PROTECT OUTPATIENT SERVICES

Hospitals provide certain outpatient services that physicians' offices also provide. In the most recent budget agreement Congress passed in October, a provision was included that cuts payments to hospitals that provide these outpatient services. Known as "site neutral" payment cuts, payments for services provided in outpatient settings that are acquired after November 2, 2015, will be paid at the same rate as paid to physicians who offer these services in their private offices, despite the higher costs hospitals incur in providing the same services.

The physician rate is far lower than the rate paid to hospitals, which leads to concerns about hospitals being able to continue providing these services. This could lead to access to care issues, as some of the hospitals serve very low income communities.

Congress has a history of proposing deep Medicare payment cuts to hospitals. In 2012, the Medicare Payment Advisory Commission (MedPAC) proposed a cut of approximately 70% for hospital outpatient evaluation and management services. A similar cut was passed by the House in 2011 (H.R. 3630), but was not taken up by the Senate. In its March 2014 Report to Congress, MedPAC recommended cutting \$900 million per year to hospitals in the form of payment caps for 66 groups of services called ambulatory payment classifications (APCs). President Obama's proposed 2016 budget also recommended capping payments at physician rates for select services, which would have led to hospital payments reductions of \$29.5 billion over 10 years.

### WHAT WE ARE ASKING FOR:

- ✓ We oppose proposals that would reduce Medicare evaluation and management services.
- ✓ We oppose all other site neutral cuts to hospital outpatient services.
- ✓ Congress should recognize that hospitals are struggling to maintain their outpatient services, and that to equate the costs of any service while ignoring the cost of providing these services will compromise the care hospitals provide to the public.

## EBOLA: THE UNRESOLVED ISSUE

When the Federal government asked the nation's hospitals to prepare for and treat suspected or confirmed Ebola patients, New York's hospitals stepped up to meet the challenge, including the 11 institutions that ultimately became designated Ebola treatment centers. These centers have spent more than \$42 million to date in continued training and preparations to treat Ebola and other infectious diseases. Yet, the full funding earmarked by Congress to reimburse these costs has not been allocated by the Department of Health and Human Services.

The cost of treating a single Ebola patient is incredibly high. As many as 150 workers can be involved with providing the care over a number of days. Additionally, remaining prepared for Ebola or other infectious diseases requires creating infrastructure, obtaining equipment, and training large numbers of staff. New York hospitals undertook these tasks with the understanding that the Federal government would recognize and help cover these vast expenses.

Congress appropriated \$576 million for Ebola preparedness and response. Of that amount, New York's treatment centers (excluding Bellevue where Dr. Craig Spencer was treated for Ebola) will receive only \$100,000 per year per center. The reimbursement shortfall is over \$36 million, while some downstate designated treatment centers continue to incur as much as \$2 million a year in unreimbursed preparedness costs.

### WHAT WE ARE ASKING FOR:

- ✓ HHS must allocate more funding that Congress appropriated for Ebola preparedness to fully compensate hospitals for the \$42 million they invested.



Congressman Steve Israel of New York's 3<sup>rd</sup> District with 1199 members.

# ENROLLING FOR 2016

The ACA Outreach and Enrollment summits, which were launched in 2013 by a coalition of organizations led by HEP, have become a much anticipated annual event ahead of open enrollment in New York State of Health, the state health insurance marketplace and a partner in these summits.

The summits are held around New York State and bring together a variety of stakeholders involved in outreach and enrollment, including navigators, health insurance plans, healthcare facilities, and community groups. As of February 2015, over 2.1 million New Yorkers had enrolled in a health plan and many of the participants in these summits had played a big role in making this possible.

Participants shared experiences and lessons learned in previous outreach and enrollment periods. Staten Island held its first separate summit this year. Issues discussed at the different summits included educating new enrollees about their plans, enrolling immigrant populations, and addressing the challenges of capturing renewals. There was a high level of interest in the new Essential Plan and ways to generate awareness about it.

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