



Hotline

HOSPITAL AND HEALTH SYSTEMS

• VERMONT ASSOCIATION OF HOSPITALS AND HEALTH SYSTEMS • 148 MAIN STREET • MONTPELIER, VERMONT 05602 • 802-223-3461 •

December 2002 PRESIDENT'S MESSAGE



My family and I are celebrating several "firsts" this holiday season: Our first full year in Vermont, our first Christmas in our new house, and Blaine's first encounter with Santa Clause ("the guy who bwings me pwesents!"). Now, we're just waiting for some snow!

2002 also brought new changes for Vermont's hospitals. This article will mention just two of them. Sadly, the most fundamental change is that we are preparing for terrorist attacks. While our disaster readiness planning will prepare us to handle any kind of attack, our recent focus has been smallpox. Painstaking preparations and planning have been underway for more than a year. Beginning next month however, our hospitals – in close collaboration with the Agency of Health Services - will begin the essential task of vaccinating hospital worker volunteers so they can become members of Vermont's smallpox response team. While we hope this response team will never be activated, it starkly illustrates how our hospitals are meeting the needs of their communities, and are also working to serve the state and region if necessary.

Developing and improving our health care workforce has also been a top priority. Vermont's Department of Employment and Training (DET) recently received a second federal grant to continue specialty training for both nursing and allied health workers. This \$2.9 million H-1B grant has become a national model in part because of the significant cooperation of Vermont hospitals. The DET will continue to be our valued partner in this effort as we help more health care workers obtain vital specialty training such as pediatric

critical care and psychiatric nursing. Our collaborative workforce efforts will continue in 2003 with our first ever state-wide Nursing Symposium. This February symposium will bring together Vermont's hospital, nursing and education leaders to address the more complex barriers to building a strong health care workforce.

2003 already has many changes on the horizon. For starters, on the state and federal level, we will have new health care leaders. In Vermont, Governor Jim Douglas will be at the helm, with (soon-to-be) former state Senator John Crowley heading the Banking, Insurance and Health Care Administration (BISHCA). Gov. Douglas recently appointed banker Charles Smith to head the Agency of Health Services. These new leaders bring with them impressive management and systems experience and we look forward to working with them.

On the federal front, Senator Trent Lott's (R-MS) recent resignation as Senate majority leader has paved the way for Senator Bill Frist's (R-TN) ascension to that powerful post. Senator Frist, a cardio-thoracic transplant surgeon has already declared that Medicare reform will be his top priority. Managing Medicare reform in addition to

Continued on page 2

INSIDE

Page 2: National Quality Initiative

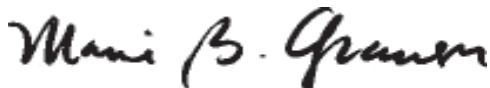
Page 3: Vermont Explor: Vacancy Survey Results

Page 4: Successful Legislators' Health Policy Day

President's Message, continued from page 1

other Senate priorities will no doubt test Senator Frist's leadership and political skills.

From Medicare to Certificate of Need issues, our hospitals remain committed to creating positive change for Vermont's health care system. The Fletcher Allen Health Care scandal has left policy-makers and advocates sorely concerned about hospital governance issues. Fletcher Allen and the Association will work continuously to regain the public's trust. We will engage in an active dialogue with all interested parties to ensure that the goals, decisions and operations of our hospitals include the meaningful, active input of our communities. Dialogue on this and other issues will remain the key to securing operational, governance and financial improvements for Vermont's health care system.



VERMONT ASSOCIATION OF HOSPITALS AND HEALTH SYSTEMS

148 MAIN STREET, MONTPELIER, VERMONT 05602
TEL: (802) 223-3461 - FAX: (802) 223-0364
WEB: [HTTP://WWW.VAHHS.ORG](http://www.vahhs.org)

BEA GRAUSE, PRESIDENT AND CEO
JONI BIANCAVILLA, ADMINISTRATIVE ASSISTANT
MARTHA BUCK, EXECUTIVE ASSISTANT
LUCIE GARAND, DIRECTOR, STATE LEGISLATIVE AFFAIRS &
DISASTER PREPAREDNESS
PETER HOLMAN, VP OF PLANNING & REGULATORY AFFAIRS
JILL MAZZA OLSON, VP OF CONTINUING CARE & QUALITY
ERICA MCNAMARA, VP OF FINANCE
CAROLE MIELKE, DIRECTOR OF FISCAL AND SUPPORT SERVICES
BRIGITTE WALBRIDGE, RECEPTIONIST/SECRETARY

VERMONT EXPLOR

GREG FARNUM, VP OF DATA & INFORMATION SERVICES
LAURI SCHARF, DATA ANALYST

VERMONT RECRUITMENT CENTER (802) 229-1167

DEE ROLLINS, VP
MARYANNE CERASOLI, ASSOCIATE

VERMONT HOSPITALS GEARING UP FOR NATIONAL QUALITY INITIATIVE

VAHHS and its member hospitals are participating in an exciting new national initiative that will provide Vermont consumers with a common framework for the public disclosure of quality measures of hospital care, based on priorities that are being developed by the National Academy of Science's Institute of Medicine. We are partnering with the American Hospital Association (AHA), the Association of American Medical Colleges (AAMC) and the Federation of American Hospitals (FAH) in the development and implementation of this quality initiative.

Vermont's hospitals and health care providers are ranked already among the best in the nation. A study funded by the Health Care Financing Administration (HCFA) in 2000 that examined the Medicare population and utilized 24 quality indicators found that Vermont ranked second overall among the 50 states and the District of Columbia.

Others participating in the effort include the Centers for Medicare and Medicaid Services (CMS), the Agency for Healthcare Research and Quality (AHRQ), the Joint Commission on Accreditation of Healthcare Organizations (JCAHO) and the National Quality Forum (NQF). The initiative has been supported by groups as diverse as the AFL-CIO and the AARP. The program is expected to be launched next summer and will focus initially on three medical conditions – acute myocardial infarction (heart attacks), congestive heart failure and pneumonia. The program will grow to include other medical conditions over time as our experience and expertise grows.

There are great advantages to our being part of this prestigious national program. On an issue as complex as health care quality, providers, payers, and consumers should all be speaking the same language. These same stakeholders will also be able to use the national quality framework to fairly compare our performance with regional and national peers. Finally, overall quality will improve through the development of feedback loops directly to providers. Teams from Vermont hospitals will begin meeting next month to initiate hospital-to-hospital sharing of best practices based on the AHA measures.

There is no mandate that we participate in this initiative. Vermont's health care systems already have an excellent quality track record. Vermont has been a national leader in the development of quality initiatives. The Vermont Program for Quality in Health Care (VPQHC) was created in 1988 by providers including hospitals, payers, insurers and consumers, without mandate, to develop and implement a system of quality design and measurement for providers and our members actively serve on the VPQHC board.

VAHHS recognizes that the ultimate measure of our success is the quality of the care we deliver. Our pledge to Vermonters is that quality will continue to guide every health care decision we make. Our voluntary participation in the AHA initiative will help our hospitals continue to fulfill that pledge.

VERMONT EXPLOR: DATA DEVELOPMENTS

Hospital staff vacancy rates show a promising trend. Although the latest statewide survey results (October 2002) are cause for concern, rates have dropped since hitting a 3-year high back in early 2001. Chart 2 below gives an historical look at vacancy rates for Registered Nurses (RN), Licensed Practical Nurses (LPN), Medical Technologists (MT) and Physical Therapists (PT) from 1988 to 2002.

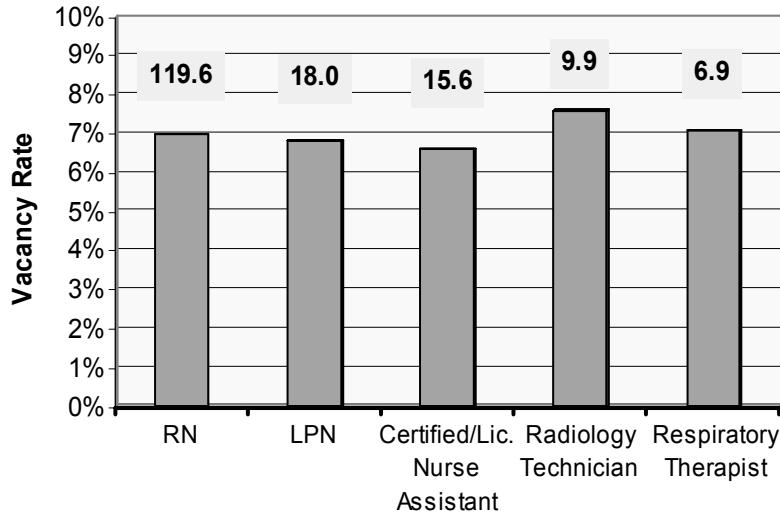


Chart 1 shows the five positions with the most FTE vacancies in 2002 at Vermont hospitals. RN's continue to be the most in-demand in gross terms, with nearly 120 FTE vacancies (at 14 of 15 acute care hospitals reporting). This represents a 7% vacancy rate, down from 8% in 2001.

Not pictured in the chart are the positions with the highest statewide vacancy rates (but low FTE needs):

- Nurse Anesthetists (22%, 4 FTE vacancies)
- Speech Therapists (12%, 2 FTE vacancies)

Chart 1. Top 5 positions by vacancy volume at Vermont hospitals.

Among RN's, Emergency Room nurses have the most vacancies: 7.6% (12.4 FTE vacancies).

For all positions, Vermont's hospitals have a vacancy rate of 5.3%.

Vermont Explor also conducted turnover and wage surveys. Future editions of the Hotline will feature their results.

For more information contact Greg Farnum.

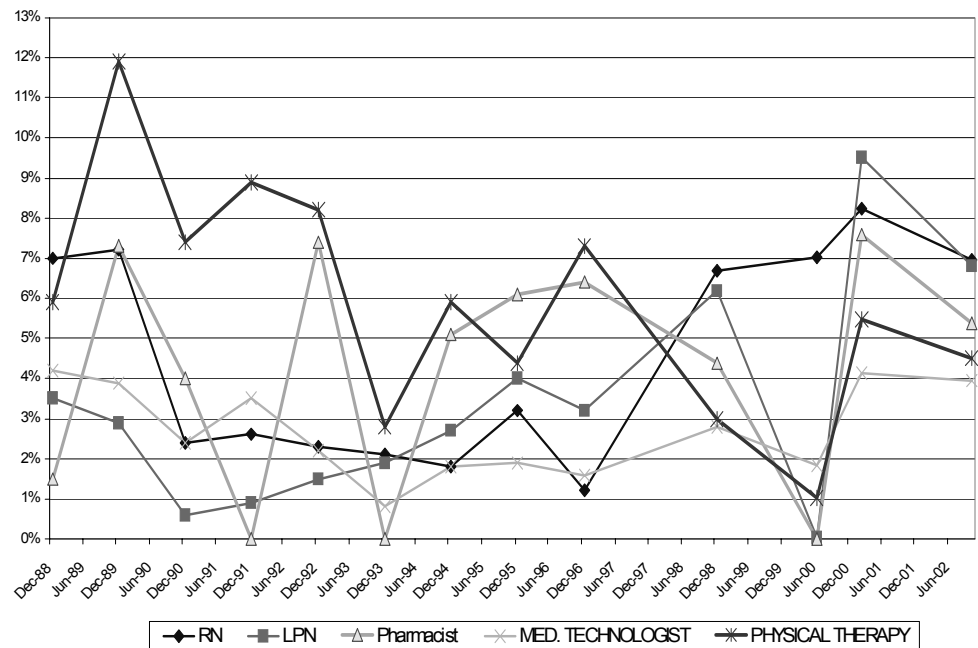


Chart 2. Vacancy rates at Vermont hospitals, 1988-2002.

LEGISLATOR HEALTH POLICY DAY A SUCCESS

The first ever Health Policy Day for Vermont Legislators was held at the Capitol Plaza in Montpelier on Saturday, December 14, 2002. VAHHS was a lead co-sponsor of the event with 23 other stakeholders including the Snelling Institute, the Vermont Health Foundation, the Vermont Medical Society and the Vermont Business Roundtable, to name a few. This was a great first effort. Despite the snowy weather, 34 legislators attended; of those 20 were new legislators.

Stuart Altman, Ph.D., a nationally recognized health care expert, made two presentations that included an overview of the U.S. health care system and significant health care trends. J. Churchill Hindes, Ph.D., provided an interesting history of health care in Vermont. The purpose of the event was to educate legislators so they are better able to make key health care policy decisions. We look forward to making this event a tradition.

Best Wishes for 2003 from VAHHS