



HOSPITAL AND HEALTH SYSTEMS

Hotline

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

September 2002

President's Message



"Innovations in Health Care Quality" – the focus of VAHHS' 67th Annual Meeting attracted a record audience earlier this month.

Regina Herzlinger, our keynote speaker kicked off the educational session with an invigorating presentation on consumer-driven health care. Regina eloquently argued that quality would improve at less cost if consumers had more purchasing power and meaningful choice of plans.

Our second speaker, Jean Chenoweth of Solucient, Inc., provided new insights on how clinical benchmarks can send usable, positive information to patients and communities. Following Jean's presentation, four panelists: Jim Hester, Vice President, MVP Health Plan, Vermont Division; Helen Riehle, Executive Director, Vermont Program for Quality in Health Care; Nancy Foster, Senior Associate Director for Health Policy, American Hospital Association; and Robert Aurilio, Chief Executive Officer of the Northeast Health Care Quality Foundation (NHCQF), gave their reactions to the morning presentations.

All four quality experts opened that Vermont was well poised to consider several of the ideas suggested by the presenters. Most panelists also thought that Vermont's penchant for innovation and collaboration would override the challenges inherent in delivering care in a rural market.

Improving the overall quality of any state's health care system is of course more complex than empowering consumers on adopting public benchmarks. Improving quality includes addressing: patient safety, medical errors, professional credentialing, end-of-life care and many other important issues. Delivering the highest quality patient care is a top Association priority. Our patients already receive top-notch care, but system-wide innovations, such as providing consumers with meaningful health care information are steps Vermont providers have begun to take.

Creating an environment where provider and policy makers can collaborate on health care solutions will accelerate our collective capacity to devise a better health care system for all of us.

On budget matters. Commissioner Costle recently approved the FY 2003 budgets of twelve hospitals: Brattleboro Memorial Hospital, Central Vermont Medical Center, Copley Hospital, Gifford Medical Center, Grace Cottage Hospital, Mt. Ascutney Hospital & Health Center, North Country Hospital & Health Center, Northeastern Vermont Regional Hospital, Porter Medical Center, Rutland Regional Medical Center, and Springfield Hospital.

The Commissioner accepted the Public Oversight Commission's (POC) recommendation to adjust Fletcher Allen Health Care's (FAHC) FY 2003 net operating margin from 5.0 percent to 4.5 percent. This adjustment will result in a reduction in the requested overall rate increase from 3.5 percent to 3 percent.

Although the POC had recommended approval of Southwestern Vermont Health Care's (SVHC) budget as submitted, BISHCA adjusted the rate increase and operating margin. SVHC will reduce its requested overall average rate increase of 8.7 percent to 8.0 percent and its requested operating margin from 5.6 percent to 5.0 percent.

Taken overall, this year's budget hearing remained positive and focused on budget issues. VAHHS has agreed to continue working with BISHCA and the POC on hospital budget issues. Toward this end, VAHHS is arranging hospital and health system tours with POC members in October and November.

Maria B. Gramer

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**2nd Annual HIPAA Vendor Expo
November 19, 2002**

At the Fireside Inn in West Lebanon, NH

The New Hampshire-Vermont Strategic HIPAA Implementation Plan (NHVSHIP) proudly presents its 2nd annual HIPAA Vendor Expo to the bi-state healthcare community. This Expo represents a unique opportunity for commercial organizations of all types (i.e., software vendors, consultants, hardware companies, clearing houses, etc.) to access hundreds of potential clients in one convenient location for a nominal booth fee.

At the meeting speakers will continue to clarify the complexities of the HIPAA regulation. Attendees will receive a federal update from Mindy Hatton, Chief Council for the American Hospital Association. In addition, an expert panel of attorneys will provide clarification on the nuances of state law preemption, a payor panel will be assembled to update providers on transaction implementation schedules, and security gurus will discuss data encryption technology. Members of NHVSHIP will provide guidance on prioritizing the compliance work for any organization.

For more information contact Greg Farnum at greg@vahhs.org or visit the NHVSHIP Expo web site at www.nhvship.org/expo02.htm.

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**THE HUMANITIES – COMING SOON
TO A HOSPITAL NEAR YOU!**

by Larissa K. Vigue, Associate Program Director
Vermont Humanities Council

[This program] has significantly reordered how I think about medicine. I live with the experience of the protagonist in one of William Carlos Williams' Doctor Stories, a physician who acted without listening. I do not want to be like him. I am learning to sit quietly and listen.

- Physician, Eastern Maine
Medical Center, Bangor

Beginning in January, 2003, the Vermont Humanities Council (VHC) will premiere an innovative reading and discussion program for health care professionals and allied staff in five Vermont

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**HOSPITALS INVITED TO TAKE ADVANTAGE OF
CMS OPEN DOOR CONFERENCE CALLS**

As part of the "open door" policy of Health and Human Services Secretary Thompson, the Center for Medicare and Medicaid Services (CMS) has scheduled a series of open door conference calls on various health topics. CMS Administrator Tom Scully quite often participates on these calls. The Dial-In number for all of these calls is: 800-837-1935. If you are unable to participate, recordings of the calls are available for 72 hours after the call at: 800-642-1687. The access code for this Encore Feature is the call ID number of the meeting. Over the next few weeks, the following calls are scheduled. All calls are Eastern standard time:

Hospital

ID 2813700 Tuesday, 10/1/02 at 10:00 AM

Home Health

ID 2813918 Thursday, 10/10/02 at 10:00 AM

Rural Health

ID 2813452 Tuesday, 10/29/02 at 2:00 PM

Long-Term Care

ID 2813546 Tuesday, 10/29/02 at 6:00 PM

Physician

ID 1639825 Monday, 10/21/02 at 2:00 PM

For further information about these meetings, contact Peter Holman at VAHHS, or Bill MacKenzie of the CMS Boston office at 617-565-1696. Meetings on each topic are scheduled through the end of 2002, and VAHHS will continue to update these listings in future editions of this newsletter.

Humanities, continued from page 2

hospitals. A six-year success story in Maine, "Humanities at the Heart of Healthcare" offers an innovative way for colleagues to think and talk about their roles and their patients. The syllabus – custom-designed based on the needs and interests of each hospital – includes fiction, poetry, drama, and non-fiction that illuminate issues central to caring for people, whether they are well, sick or dying. Specially-trained discussion facilitators from VHC's 25-year-old community Reading and Discussion program lead the groups.

Sites officially on board include Northwestern Medical Center in St. Albans and Rutland Regional Health Care. The three other sites are expected to be finalized in late September. Discussions begin in January and occur once a month through June. The hospital provides an on-site coordinator, meeting space, and dinner. In the first year of the program, the Council provides the books and discussion facilitator at no cost; in successive years, hospitals absorb more and more of the cost until the program is fully funded internally. More than 20 Maine hospitals have continued the program beyond year one.

The seminars, says a physician who attended the program in Maine, "help foster communication across the hierarchy of medical culture – which is great, and much needed." While participating in the discussions, colleagues are asked to address each other by first name only – no titles. The goal is to foster respect and appreciation for every person in the room and the part they play in caring for patients. For that reason, the discussion groups are intentionally diverse. They are open to all types of hospital professionals, affiliates, and other staff inside the hospital doors and out – from nurses to X-ray technicians, janitors to surgeons, hospice volunteers to data processors, administrators to cooks.

"I always knew my role was valuable," says a nurse who attended the program in Maine, "but I think I more fully understand how far-reaching that can be. I have learned how important it is to listen to each individual, to hear what his or her need is and also to hear the needs of the extended family."

For more information on how you can get involved with this program, contact Larissa Vigue, Associate Program Director, Vermont Humanities Council, 802-888-3183, larissa@vermonthumanities.org.

VERMONT HEALTH CARE FACILITIES CUT COSTS WITH ENERGY EFFICIENCY

EFFICIENCY VERMONT HELPS IDENTIFY AND PAY FOR IMPROVEMENTS

Vermont health care facility operators are cutting costs by taking advantage of a free service. By working with Efficiency Vermont – the nation's first statewide energy efficiency utility – Vermont health care facilities are making energy efficient improvements that are lowering energy bills by a combined \$39,000 a year. These facilities have received more than \$36,000 from Efficiency Vermont to make the efficient upgrades even more cost-effective.

"It's not often that I can get money for the hospital," states Ron Gauvin, Director of Plant Services at Brattleboro Hospital, which received \$7,900 for efficient lighting and cooling system upgrades. "I like what Efficiency Vermont is doing. The people there are knowledgeable and easy to work with."

By taking advantage of Efficiency Vermont's free technical advice and financial help, health care facility operators are able to identify the causes of high electric bills, learn of new technologies that will reduce costs, design optimally efficient facilities, and receive money to help pay for efficient lighting, equipment, renovations and new buildings. It's all part of Efficiency Vermont's effort to help Vermonters save money, reduce energy use and protect the environment from power generation associated air pollution.

Because of efficient upgrades made this past year, Brattleboro Hospital will save an estimated \$5,700 in energy costs annually. For Gauvin, the decision to undertake the improvements was just good business. "With today's demand on resources and the rising cost of utilities," says Gauvin, "it only makes sense to take measures to lower expenses and reduce consumption."

"Facilities that operate around the clock stand to gain the most from efficiency improvements like lighting upgrades," says Gabe Arnold, Efficiency Vermont Project Manager for the Brattleboro Hospital project. "Quite often, these improvements pay for themselves in less than a year."

To learn how Efficiency Vermont can help reduce operating costs in your facility, call toll-free, 1-888-921-5990. Or visit www.encyvermont.com.

GUBERNATORIAL FORUM ON HEALTH CARE

On August 23rd, more than thirty people attended the first Gubernatorial Forum sponsored by VAHHS and the Medical and Dental Societies. The quality of the questions and comments during the two-hour forum was extremely high, leading one attendee to comment: "Vermont is really fortunate to have three candidates so well qualified to be Governor."

From the forum, attendees were able to get a clear picture of each candidate's approach to health care. When asked to identify their priorities, the candidates gave the following responses:

Lt. Governor Racine He believes that a system-wide approach to improvement is needed, with collaboration from all players. On the Certificate of Need (CON) front, most important is that the decisions and the process are consistently viewed as fair. With regard to the Public Oversight Commission, he would push for creation of an independent board, similar to the state's Environmental Review Board.

Treasurer Douglas He believes it is important to open the market place to competition, particularly at the insurance plan level. Mr. Douglas

believes strongly that solid long range planning is necessary. He would focus attention on slowing the rise in drug costs in Vermont. On CON, he is very concerned about the politicization of the process and would oppose any arbitrary ban on new CON's.

Con Hogan He believes that the Governor must set a positive climate for health care in the state. He views health care as basically a "process industry" which can benefit from lessons learned in other industries to improve its efficiency. It is important to Mr. Hogan that the state take a long range view of health needs. With regard to CON, he would eliminate the current review categories and have the process focus only on controlling the health system's overhead.

Two additional forums are being sponsored by VAHHS and the Societies:

- **September 27th, 12:00-1:30 p.m., Rutland Regional Medical Center**
- **October 23rd, 5:30-7:30 p.m., Carpenter Assembly Hall, UVM College of Medicine in Burlington.**

In addition, a **Lt. Governor's forum is scheduled for October 7th at the Burgess Assembly Room, Fletcher Allen Health Care in Burlington.**

For more information and directions see the VAHHS website at: www.vahhs.org.