The MHA Legislative Policy Panel recently convened its first meeting of the 2016-2017 program year and developed recommendations for the MHA Board of Trustees on legislative initiatives impacting Michigan hospitals. Dennis Swan, president & chief executive officer, Sparrow Health System, Lansing, is serving as chair of the panel this program year.

The panel recommended the MHA remain neutral on Senate Bill 1013 as introduced, which would provide licensure for dental therapists. The panel heard both sides of the debate by guest speakers before finalizing its recommendation. Amy Zaagman, executive director for the Michigan Council for Maternal and Child Health, supports the bill, arguing its a tool to provide more access to dental care. On the opposing side, Mark Johnston, DDS, past-president of the Michigan Dental Association, contends that the underlying problem is inadequate reimbursement rates. While the panel believes access to oral healthcare needs to be improved, there are still unanswered questions regarding the direct supervision dentists must provide.

The panel recommended the MHA move to neutral on a new version of House Bill (HB) 5090. The MHA opposed HB 5090 as introduced, because it would prohibit hospitals from using Maintenance of Certification for physicians as a basis for license renewal or for hospital admitting privileges. Given that all references to hospital admitting privileges have been removed, the panel recommended the change in position to neutral.

The panel recommended the MHA support the concept of HB 5180 as introduced. HB 5180 would establish a statewide program to increase the availability of fresh and nutritious food in underserved
communities by providing financing to food retailers. The panel recognizes the negative health outcomes associated with so-called food deserts but had many concerns that need to be worked through, such as sustainability, reporting of outcomes and oversight.

In final action, the panel recommended the MHA support HB 5400. HB 5400 would allow advanced practice registered nurses (APRNs) to prescribe certain controlled substances under delegation and nonscheduled drugs autonomously. The panel agreed that this is a good compromise, and there have been a number of individual member hospitals that support expanding the scope of practice for APRNs.

For more information, contact Chris Mitchell at the MHA.

Patient and Family Engagement the Subject of New MHA Digital Campaign

Over the coming months, the MHA will share stories about Michigan hospitals that have embraced patient and family engagement practices and ingrained them into their culture to work toward the goal of being a patient-and family-centered healthcare system. The stories are being shared as part of a digital campaign titled, Patient & Family Engagement - Seeing the Person Behind the Patient, on LinkedIn.

Each story focuses on one of the 12 patient and family engagement recommended best practices, which were developed by the MHA Keystone Center Patient & Family Engagement Council. The stories are designed to share how Michigan hospitals are helping advance the practices and principles of patient- and family-centered care at the bedside, in the boardroom and in the community. So far, the following four stories have been shared:

- **Introduction: Patient & Family Engagement – Seeing the Person Behind the Patient**
- **Part 1: Featuring Saint Joseph Mercy Health System: Representing the Patient Voice at Hospital Board of Directors Meetings**
- **Part 2: Featuring Hayes Green Beach Memorial Hospital: Provide a Planning Checklist to Prepare Patients That Have Scheduled Admissions**
- **Part 3: Featuring St. Mary Mercy Livonia: Conduct and Inform Patients and Families of Physician/Multidisciplinary Rounds**

Additional stories will be shared every Thursday on LinkedIn. To learn more about the MHA Keystone Center’s work in advancing patient- and family-centered care, visit the foundational concepts section of the MHA Keystone Center website. For questions, contact Ewa Panetta at the MHA Keystone Center.

MSA Issues Inpatient and Capital Rate Information Revisions

The Medical Services Administration (MSA) recently released revised Medicaid fee-for-service (FFS) inpatient rate information to hospitals via the Michigan Department of Health and Human Services file transfer site for discharges on and after Oct. 1, 2016.

The fiscal year 2017 updates reflect the annual wage and cost ratio update to the statewide rates took effect Oct. 1, 2015. At that time, the MSA implemented a statewide rate, with one rate for prospective payment system hospitals and another for critical access hospitals with annual updates for wage index and inpatient hospital cost ratios used in outlier payment calculations. Also effective Oct. 1, 2015, the MSA adopted the all-patient refined diagnosis-related group (APR-DRGs) grouper system, with APR-DRG relative weights to be updated annually. Pending the availability of data for the APR-DRG relative weights, the MSA will update them for the APR-DRG grouper system.

**The MSA has posted the updated hospital DRG rates on its website.** These rates should be used by Medicaid health maintenance organizations (HMOs) for payment to noncontracted hospitals. In addition to the inpatient rates, the MSA updated hospital capital rates effective Oct. 1, 2016, using data from hospital cost reports ending during state fiscal year 2015. These updates are based on the prospective capital policy, the MSA implemented, effecting Jan. 1, 2015; this policy replaced the previous cost-settlement methodology. **The updated hospital capital rates are also available on the MSA’s website.** Payments to hospitals by noncontracted Medicaid HMOs should include a payment for capital based on the updated hospital-specific payment amounts. Members with questions should contact Vickie Kunz at the MHA.
New Social Media Campaign Highlights Hospitals' Community Benefit Activities

Beginning this week, the MHA will be launching a social media campaign to highlight how Michigan hospitals and health systems benefit their communities. The Leading Michigan to Better Health campaign will focus on promoting the ways hospitals are making a meaningful difference to people in their communities through a variety of programs and services, including:

- Community health education
- Health fairs and health screenings
- Nonbilled and reduced-fee clinics, including school-based clinics
- Support programs and counseling
- Senior-focused programs, including Meals on Wheels, prescription assistance and transportation services
- Immunization services
- Health professions education
- Clinical and community research involvement
- Community building activities
- Financial assistance

The MHA would like to feature stories from all member hospitals via weekly posts on the MHA Facebook and Twitter feeds. Hospitals and health systems interested in submitting stories for the campaign are asked to contact Laura Wotruba at the MHA. Questions about the campaign itself may be directed to Ruthanne Sudderth at the MHA.

CMS Revises FY 2017 IPPS and LTCH Rates

The Centers for Medicare & Medicaid Services (CMS) recently issued a correction notice for the Medicare fee-for-service fiscal year (FY) 2017 inpatient and long-term care hospital (LTCH) prospective payment system (PPS) final rule. The correction notice addresses errors and inadvertent omissions of several diagnosis and procedure codes related to the FY 2017 Medicare Severity-Diagnosis Related Group (DRG) and MS-Long-Term Care-DRG updates. For hospitals, the corrections result in:

- A slight decrease to the operating and capital rates;
- A reduction to most wage indexes;
- Slightly lower uncompensated care adjustments (factor 3) for most hospitals that receive Disproportionate Share Hospital payments; and
- An increase to the outlier fixed-loss threshold from $23,570 to $23,573

The revisions also required CMS to recalculate all budget neutrality factors. For the LTCH PPS, CMS made corrections to the MS-LTC-DRG table and modified the outlier fixed-loss amount for LTCH site-neutral cases to align with the revised hospital inpatient outlier fixed-loss threshold of $23,573. The revised tables are available on the CMS website. Members with questions should contact Vickie Kunz at the MHA.

The Keckley Report

“Partisan politics aside, let’s get the larger issue of mandatory bundled payments in perspective:

“Bundled payment programs are not new nor is their legitimacy as a bona fide vehicle for changing incentives the issue. They attempt to align the financial incentives between all providers (for example, hospitals, physicians, and post-acute care providers) that touch a single episode of care. By rewarding coordination across multiple settings of care, errors are fewer, outcomes are better and efficiency gains realized. That’s the theory and it’s central to Medicare’s effort to bend the cost curve for the program that covers more than 55 million seniors.”

Paul Keckley, Oct. 3, 2016 — Let’s be Honest about the Pushback to Mandatory Bundles
• The Hospital Pharmacy Management Committee will meet from 9:30 to 11:30 a.m. Thursday at the MHA Headquarters, Okemos. The committee will be reviewing proposed pharmacy legislation regarding the Michigan Automated Prescription System and Pyxis machines and discussing the process for the required pharmacy accreditation. For more information, contact Paige Fults at the MHA.

• The MHA Keystone: Pain Management Safe Table will take place from noon to 3 p.m. Thursday at the VisTaTech Center, Livonia. The main agenda will focus on safe use of opioids and pain management in hospitals. Attendees are encouraged to come prepared for an open discussion by bringing a story or adverse event example (omitting patient and clinician identifiable information) related to pain management. For more information, contact Bryan Buckley at the MHA.

MHA Members can also refer to these items in our Weekly Mailing:

MHA Keystone Center
Enroll in the Great Lakes Partners for Patients Today – Deadline Nov. 10

MHA
Learn How to Gain Visibility by Partnering with the MHA

MHA
September 2016 HRA & GME Payments

MHA
Michigan Green Healthcare Conference – Register by Monday!

MHA
October MHA CEO Report

MHA
BCBSM Joint Replacement Program Information

MHA
Medicaid Inpatient Psych HRA Payments

MHA Keystone Center
MHA Keystone Center October Update

MHA
Upcoming MHA Events

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