



# Focus



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## HB 4021: The Healthcare Reform Bill of 2006



As promised by Governor Manchin in his *State of the State* speech, the 2006 legislative session was devoted to the advancement of healthcare in West Virginia. Budget-wise, issues of importance to the West Virginia Hospital Association (WVHA), such as Medicaid and hospital-specific targeted funding, remained intact. Notably, *House Bill 4021*, passed late in the legislative session, has been hailed as the *healthcare reform bill* of 2006. According to legislators, the bill will help to provide basic coverage insurance to thousands of West Virginians through various innovative measures.

*House Bill 4021* introduces several new healthcare legislative features. It authorizes the Children's Health Insurance Program (CHIP) to expand coverage from 200 percent of the federal poverty level to 300 percent. The state cost (Continued on Page 2)

## Other Healthcare Legislation

- *SB 170* — Creates the *West Virginia Health Information Network* (WVHIN), a public-private entity to oversee the design, implementation, operation and maintenance of a fully interoperable electronic healthcare network to facilitate public and private use of healthcare information in the state.
- *SB 112* — Establishes Alzheimer's Disease Registry within West Virginia University as a central information database for policy and planning.
- *SB 350* — Authorizes the Department of Health and Human Resources to promulgate a number of healthcare-related legislative rules, including hospital licensure.
- *SB 619* — Eliminates the two, four-year term cap for the 11 members of the Board of Directors of the Physicians Mutual Insurance Company.
- *SB 755* — Clarifies the Physician's Mutual Insurance Company's authority to refuse to renew insurance contracts based upon perceived risks. The bill also provides for requirements and minimum standards for self-funding programs as a substitute for medical professional liability insurance.
- *SB 773* — Clarifies the policy considerations that the Health Care Authority shall utilize in developing State Health Plan criteria, including cost, quality, need, access and continuity of care.
- *HB 4069* — Continues the *Rural Health Advisory Panel* until July 1, 2009.
- *HB 4296* — Provides employers civil immunity from liability for disclosing job-related information concerning an employee or former employee to a prospective employer.
- *HB 4491* — Establishes the third week of October as *Disability History Week* for West Virginia. Schools are encouraged to teach lessons on disabilities as part of their curriculum.
- *HB 4488* — Creating a commission to complete a comprehensive study of the state's behavioral health system.

(Continued from Page 1) to expand coverage is estimated at \$359,000 for 2007; \$1 million for 2008; and \$2 million for 2011. The bill requires the Department of Health & Human Resources (DHHR) Secretary to ensure that Unisys, the Medicaid claims processing system, provides detailed quarterly financial reports to a legislative interim committee, a management reporting system and specific utilization data by provider, member eligibility groups and service no later than October 1, 2006.

Under *House Bill 4021*, a new *Preventative Care Clinic-Based Health Plan* allows certain clinics and practitioners to offer pre-paid preventative and primary health services to consumers at a low cost. A pilot program for eight providers selected by the Health Care Authority will offer limited health benefits for a set fee. The Insurance Commissioner will develop guidelines for and approve the fees that may be charged. With some exceptions for qualifying events, participants must not have had insurance coverage for a 12-month period immediately preceding enrollment. The bill also calls for the creation of the *Affordable Health Insurance Act*, which offers more flexibility in the design of health insurance plans. This allows insurers to offer basic services with an emphasis on preventive and primary care services and requires insurers offering such plans to reimburse providers at previously negotiated rates.

An Interagency Health Council will also be established to set the standards and criteria for evaluating unmet healthcare needs in West Virginia. Members of the Council include the Insurance Commissioner, the DHHR secretary, directors of the Health Care Authority, PEIA and CHIP. The Council's responsibilities include identifying trends and developing incentives for cost containment. Four public hearings will be held by the Council before January 1, 2007, to solicit input from citizens, providers, employers, insurers and interested parties. Annually, the Council will recommend to the Legislative Oversight Commission on Health and Human Resources Accountability strategies that will provide access to affordable, high quality health insurance, slow the growth rate of healthcare costs by 2010, provide incentives for healthcare professionals and facilities to improve quality and patient safety, and assure equitable financing of healthcare in West Virginia.

## *Second Security Summit Held*

Senator Jay Rockefeller hosted the second *West Virginia Summit on Homeland Security* at Stonewall Resort on March 19 and 20, which brought together representatives from government, business, healthcare, public safety and volunteer organizations statewide to discuss issues related to disaster preparedness. West Virginia Hospital Association (WVHA) President and CEO Steven Summer and Amy Veazey, WVHA Director of Emergency Preparedness, attended the summit.

A major concern highlighted at the summit was the impact a metropolitan Washington, D.C., evacuation would have on West Virginia. Panelists pointed out that western migration has already begun. For example, the Eastern Panhandle is struggling to maintain adequate utilities, police protection, roads and schools for those who have permanently relocated their homes to West Virginia but work in the District. A Washington evacuation would tax

the Eastern Panhandle infrastructure exponentially, and spillover into surrounding areas would likely stretch resources to the limits.

Summer served as a moderator for the public health panel, and pointed out that hospital preparedness for emergencies and disasters is a continuous process and to be most effective, cannot be crisis driven. Chronically underfunded hospitals are challenged to meet daily operational demands and have limited resources to plan for unlikely events or to create surge capacity, according to Summer.

Results of public policy decisions to date that impede effective disaster planning include fewer hospitals beds, fewer staff and lack of investment in equipment that would be needed in a surge situation such as ventilators and portable monitoring devices. Summer also noted the current shortage of healthcare personnel and the challenges faced when professional staff is required and there is no central knowledge of the resources or an inventory of skills in that area.

Other topics discussed at the Summit include: the need for better coordination between local leaders and state/federal disaster support personnel; the challenges being faced in finding continued funding for the statewide radio communications project; the decline in Federal domestic preparedness grants; and, the Centers for Disease Control's plan to stockpile enough Tamiflu to cover 25 percent of the U.S. population, including 413,000 doses which will be reserved for West Virginia.

"This summit was about determining how to best prepare West Virginia for an emergency," Senator Rockefeller said. "Our goal must be to build on the successes of the summit and have everyone involved continue their work to take steps to meet West Virginia's needs. We reaffirmed that we all need to work together — government, business, libraries, schools, public health services — to plan, prepare and educate. Effective response begins with planning and preparedness. We simply cannot wait for a terrorist attack or another flood to begin serious preparation."

The first *Homeland Security Summit* was held at Shepherdstown November 2003.

## *Cover The Uninsured Week*

*May 1-7, 2006*

## *National Hospital Week*

*May 7-13, 2006*

*Next month, West Virginia will join the nation in celebration of Cover The Uninsured Week and National Hospital Week. Look for more on these events in the next issue of Focus.*

*[www.CoverTheUninsuredWeek.org](http://www.CoverTheUninsuredWeek.org)*

*[www.imprintmall.com/hospitalweek](http://www.imprintmall.com/hospitalweek)*

## WVHA CAH Network

Because of their essential role in assuring access to healthcare in isolated areas, the federal Medicare program has designated eligible small rural hospitals to receive higher payments for Medicare services as Critical Access Hospitals (CAH). These hospitals provide 24-hour emergency services, short-term acute inpatient services, and a variety of outpatient services. There are currently 19 CAHs in West Virginia.

West Virginia's rural healthcare system consists of small hospitals and primary care centers operating within an ever-changing environment with respect to healthcare funding, reimbursement and regulation. At the same time, rural hospitals are particularly challenged to overcome the burdens of aging plants and medical equipment and the lack of information technology.

Since its creation in 2004, the West Virginia Hospital Association (WVHA) CAH Network has grown to a fully operational organization. The Network has been working to improve healthcare in rural communities through partnership and collaboration with WVHA member hospitals and healthcare institutions.

The goal of the WVHA CAH Network is to improve the clinical, operational and financial performance of CAHs. Following are several key objectives:

- Performance Improvement. To increase the quality of members hospitals' clinical, financial and operational performance through the Balanced Scorecard management tool.
- Networking. The Network facilitates opportunities to address performance improvement and enhance collaboration through regular member meetings, special subcommittees and educational sessions.
- Financial Opportunities. The Network actively seeks opportunities to improve efficiency in areas such as cost reporting and staffing, and maximize revenue through vendor products and services.
- Advocacy. The Network identifies advocacy issues for inclusion in the WVHA's annual legislative agenda and supports political action through participation in HOSPAC, which is the political action committee of the WVHA that participates jointly with the American Hospital Association Political Action Committee.

## The Right Start for WV Babies

*The Right Start 2006*, a report recently released by the West Virginia KIDS COUNT Fund and the Annie E. Casey Foundation, measures the condition of America's babies and their families using eight key indicators of pregnancy and childbirth. The report shows the results for West Virginia are mixed. According to 2003 data, more than one in four West Virginia women smokes during pregnancy (26.5 percent), the highest percentage of any state in the nation, and the percent of births to unmarried women in West Virginia has increased by 36 percent since 1990. On the positive side, since 1990, the number of births to mothers receiving late or no prenatal care has dropped by nearly 60 percent, and the percent of births to teens has been reduced by nearly 31 percent. West Virginia ranks 13 percent best in the percent of teens having repeat births and 25th in the percent of births to mothers with less than 12 years of education.

*Day One*, a West Virginia Hospital Association (WVHA) project aimed at educating new parents about the importance of early brain development, has launched an effort to reduce the percent of women who smoke during and after pregnancy. "Exposure to secondhand cigarette smoke by infants increases their risks for a variety of problems," *Day One* Director Cinny Kittle said.

"West Virginia has made some great strides in reducing the number of teen births and increasing the availability of prenatal care," said L. Clark Hansbarger, M.D., a pediatrician and president of the KIDS COUNT Board. "But to ensure that every baby has the best possible chance at being born healthy and ready to thrive, we must develop innovative approaches to entrenched problems like smoking during pregnancy and births to unmarried women. We have some excellent pilot programs, but they must be implemented statewide to see dramatic improvements in the health of newborn babies."

The Benedum Foundation recently funded the *West Virginia Perinatal Wellness Study*, a comprehensive effort to identify issues and solutions in the period just before and immediately after birth.

"The first phase of the study will be to compile an exhaustive collection of data on perinatal health," said Nancy Tolliver, a public health expert advocate leading the Benedum project. "We will be making great efforts to get the experience and expert opinions of physicians and nurses caring for our mothers and infants, including those practicing in rural areas. The next phase will be to review best practices, make recommendations for improving perinatal wellness and begin a planning process for implementation of the recommendations."

The WVHA *Day One* Program continues to be very involved with the *Perinatal Wellness Study*.



## WV Donation Initiative Still Strong

In 2004, a new organ donation initiative was begun in West Virginia. The West Virginia Donation Initiative (WVDI), is a collaboration of the West Virginia Hospital Association (WVHA), the state's four organ procurement organizations, and the state Department of Health and Human Resources. The statewide project was one of the first of its kind in the nation and represents the first time an entire state came together under the auspices of increasing organ donation rates. Today the WVDI is still going strong. After two successful *train the trainer sessions*, both held in West Virginia, the WVDI is planning its third session, to be tentatively held in late June 2006.

The U.S. Department of Health and Human Services in 2003 launched the *Organ Donation Breakthrough Collaborative* to bring together donation professionals and hospital leaders to identify and share best practices to maximize donation rates from potential organ donors who die in their facilities. That commitment, also known as the *Gift of Life Donation Initiative*, led to 2004's record transplant totals through which the number of transplant candidates who died waiting for an organ fell below 6,000 for the first time in six years. While donation from deceased donors rose both in hospitals participating in the collaborative and in those not taking part, the increase was higher for those in the collaborative (16 percent compared to 2003) than for non-participating hospitals (9.4 percent). In 2004, 26,984 Americans received an organ transplant, which set a new national record. The increase in organ donations comes in the wake of concentrated efforts led by HHS to boost consent rates for organ donation, which began in 2001. The graph below shows how well efforts of the WVDI, OPOS, hospitals, and others have helped spread the gift of life to thousands of people waiting for their own personal miracles.

## Profile: West Virginia's Four OPOs

West Virginia is served by four organ procurement organizations: the Center for Organ Recovery & Education (CORE); Kentucky Organ Donor Affiliates (KODA); Lifeline of Ohio (LOOP); and LifeNet.

Headquartered in Pittsburgh, Pa., and with an office in Charleston, WV, CORE, [www.core.org](http://www.core.org), manages the organ and tissue donor program for western Pennsylvania, West Virginia and a small portion of New York. Each of the hospitals in CORE's designated region serves as a referral site for potential donors. Charleston Area Medical Center and West Virginia University Hospitals are two of CORE's six hospitals that perform life-saving organ transplants.

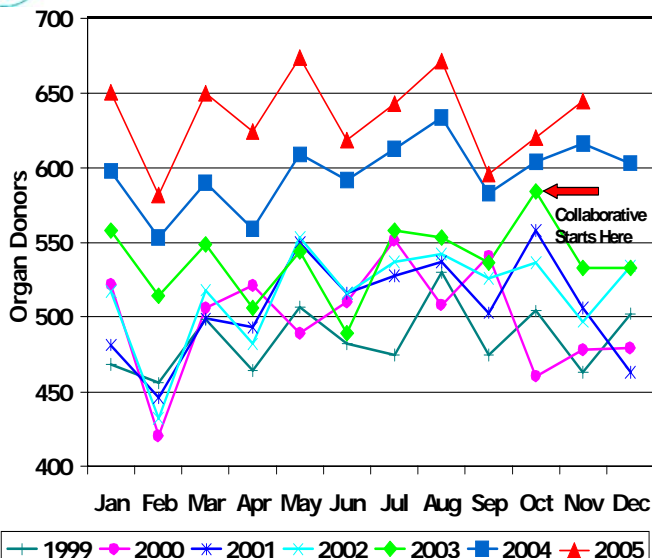
KODA is the federally designated organ procurement organization that serves Kentucky, southern Indiana and Cabell and Wayne counties in West Virginia. KODA, [www.kyorgandonor.org](http://www.kyorgandonor.org), originated as a combination of existing organ and tissue procurement programs at the University of Kentucky and the University of Louisville.

LOOP, [www.lifelineofohio.org](http://www.lifelineofohio.org), serves Ohio and West Virginia to promote and coordinate organ and tissue donation. LOOP provides services to 64 hospitals and the communities they serve through its transplant coordinators, surgical technicians and professional staff. In addition to clinical recovery and distribution of organs and tissues, Lifeline of Ohio seeks to raise awareness about the drastic need for donation.

LifeNet is the nation's largest nonprofit, full-service organ donation agency and tissue banking system and holds the longest running current accreditation by the American Association of Tissue Banks (AATB). A leading organ procurement organization, LifeNet, [www.lifenet.org](http://www.lifenet.org), was the first provider of its kind to be registered to the ISO quality standard.

## April is Donate Life Month

Unprecedented Month-by-Month Increases in Number of Organ Donors



## CAMC Recognizes National Donate Life Month

The *Power of Organ Donation* luncheon will be held from noon to 1 p.m., Friday, April 14, at CAMC General Hospital, rooms 101/102. The event will feature guest speaker Ed Hearn, catcher for the 1986 World Champion New York Mets and survivor of three kidney transplants. Space is limited and registration is required.

The *Power of Organ Donation Night* with West Virginia Power Baseball will take place later that evening, beginning at 7:05 p.m. at Appalachian Power Park. The event will highlight the importance of organ and tissue donation by encouraging fans to sign donor cards and recognizing transplant recipients. Special guest Ed Hearn will present a brief motivational address before the game (6:50 p.m.) and sign autographs for fans. The first 1,000 fans to visit the organ donation booth will receive a free T-shirt. There also will be a fireworks show after the game. The events are sponsored by the CAMC Kidney Transplant Center, the Center for Organ Recovery and Education, the CAMC Foundation and West Virginia Power. Call WV Power at (304) 344-2287 for ticket information.