

NEWS BRIEFS

Informational Newsletter for Wyoming Hospitals

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WHA Calendar:

WHA Legislative Committee **1/26**

WHA Board Meeting Casper, WY **3/16**

Other Events:

Wyoming Legislature Convenes **2/13**

HFMA Spring Meeting Casper, WY **3/21-3/23**

Health Department Presents Budget To JAC

The state's fiscal picture dimmed significantly in the week before Department of Health officials presented their proposed budget to the Legislature's Joint Appropriations Committee.

When Gov. Matt Mead submitted his budget in December, it included as much as \$87 million that would have been available for discretionary spending by the Legislature.

Earlier this month, however, with natural gas prices continuing to fall, that \$87 million turned into a deficit of more than \$20 million.

Additionally, an issue with the proposed budget added to that figure, so that when Department officials sat down to present their agency's budget, the committee was facing a deficit of just over \$50 million.

The Legislature's new fiscal position led to a clear theme throughout the hearing: would Department officials prefer to receive the 7% increase they had proposed, only to be asked to identify 8% cuts to their budget? Or would they rather move forward with a flat biennial budget?

Despite that starting point, Department Director Tom Forslund presented his proposed budget, which included increases in Medicaid

reimbursements for nursing homes, among other exception requests.

Medicaid continues to be a major cost driver for the Department and a source of discussion for the committee. Mr. Forslund said the Department is mining its data to better understand the causes of cost increases in that program.

Based on data from the fall of 2011, he said, the program can be divided into two large categories: the 95% of adult Medicaid recipients whose average cost is about \$2,000 per year, and the 5% of adult recipients whose average costs are more than \$29,000 per year.

Viewed from the perspective of the providers who receive Medicaid funding, the data indicated that developmental disability providers, nursing homes, and hospitals are the three highest-cost provider groups.

Sen. Phil Nicholas (R-Laramie), Co-Chair of the Joint Appropriations Committee, said there are three areas in the state budget that are large enough to absorb the \$50 million deficit lawmakers face.

Those areas are the Department of Transportation, capital construction projects, and the Department of Health.

Mr. Forslund said he could save as much as \$10 million if the Legislature would allow him the flexibility to move dollars around within his department.

Additionally, he said the Department is moving toward performance-based contracting, which would focus on outcomes and measurement of the state's return on its investment in various services and programs.

Committee members suggested that across-the-board cuts to provider reimbursements could save tens of millions of dollars.

But Mr. Forslund pointed out that funding healthcare is very complex – provider cuts could result in a reduction in the number of providers who will serve Medicaid patients, and they could lead to a scarcity of nursing home providers in the state.

Sen. Nicholas asked Mr. Forslund to develop a list of programs that could be eliminated quickly to help ease budget pressures.

The appropriations committee completed its review of agency budgets last week and will return to Cheyenne this week to begin working the state budget. The committee will ultimately submit a budget to the full Legislature for consideration when the budget session begins on February 13.



MEMBER SPOTLIGHT



Don't forget to send us a story about your hospital so we can feature you in our Member Spotlight section!



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Fire Marshal Asks for Help with Electrical Injuries

State inspectors are working to prevent injuries that are caused by exposure to electricity, but they'll need a little help from Wyoming Hospital Association members to make that happen.

A change to the state statute requires, in most cases, the Chief Electrical Inspector to investigate all electrocutions or serious injuries from electricity.

But there's a problem. There is currently no reporting system in place at the state to indicate to the Chief Electrical Inspector when this type of an incident has occurred.

As a result, the State Department of Fire Prevention and electrical safety has asked members of the Wyoming Hospital Association to assist with the process.

If a victim of electrocution, or a patient with an

injury caused by electricity, presents themselves in a hospital emergency department, state officials are asking hospital staff to call the Fire Marshal's office, at (307) 777-7288.

The resulting investigation will help determine the root cause of the incident. And it will allow the Fire Marshal's office to make recommendations to prevent similar injuries in the future.

Study Indicates Shortage of Healthcare Workers in Wyo

Wyoming has a shortage of healthcare workers that are critical to providing long-term care, and its colleges are not producing enough graduates to fill the anticipated workforce needs in many health occupations.

These are just two of the findings from a report recently released by the Research & Planning section of the Wyoming Department of Workforce Services.

The report, entitled

"Health Care Workforce Needs in Wyoming: Advancing the Study," addresses challenges Wyoming faces in meeting the healthcare needs of an aging baby boom generation.

The study measures the number of people working in more than 30 non-federal licensed healthcare jobs in Wyoming, such as pharmacists, physicians, registered nurses, and others.

With this information, the study examines the impacts of an aging population,

rapidly changing technology, and national healthcare initiatives on Wyoming's healthcare workforce.

According to the study, more than 26% of all people living in Wyoming in 2010 were baby boomers between ages 46 and 64. The percentage was even higher in Platte, Hot Springs, Crook, and Johnson Counties.

The report is available online at <http://doe.state.wy.us/LMI/occasional/occ6.pdf>.

Dr. Phyllis Sherard Selected for Innovation Program

Cheyenne Regional Medical Center announced recently that Phyllis Sherard, Ph.D., has been selected for the CMS Innovation Advisors Program.

Dr. Sherard is the director of community health advocacy for CRMC.

The initiative, launched by the CMS Innovation Center in October 2011, will help health professionals deepen skills that will drive

improvements to patient care and reduce costs.

Dr. Sherard is one of 73 people from 27 states and the District of Columbia participating in the program. She is the only Advisor selected from Wyoming.

After an initial orientation phase, Innovation Advisors will work with the CMS Innovation Center to test new models of care delivery in their own organizations

and communities. They will also create partnerships to find new ideas that work, and share them regionally and across the country.

"We're looking to these Innovation Advisors to be our partners – we want them to discover and generate new ideas that will work, and help us bring them to every corner of the United States," said CMS Innovation Center Director Rick Gilfillan, M.D.