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Today's News Thursday, April 02, 2009**A Win for Primary Care**

Gov. David Paterson yesterday labeled his administration's preventive and primary care reforms as "the most significant policy changes we made in this state budget." He spoke at a briefing with primary care advocates at the community health center in Glens Falls, which will be part of the Adirondack Region Medical Home Pilot. Under the new budget, the project will get \$4.5 million over two years through enhanced Medicaid reimbursement, as well as higher rates from the Empire Plan and possibly from commercial insurers. The governor thanked the Legislature for passing such reimbursement reforms. He also thanked elated primary care advocates, including Medicaid Matters New York's Lara Kassel and the Community Health Care Association of New York State's Kate Breslin, for their support. "We finally have policy leaders, the governor, the commissioner and legislators across the state who really get it," said Ms. Breslin, CHCANYS's director of policy.

EmblemHealth Hires Three

EmblemHealth has made some key hires. It named Dr. William Gillespie its new chief medical officer, replacing Dr. Aran Ron, who served for 10 years at Emblem, most recently as executive VP and chief medical officer. He left the company this week, in a move planned some time ago. Before joining Emblem, Dr. Gillespie served as executive VP and chief medical officer for Ovations, a division of UnitedHealth Group. Emblem also named William Lamoreaux its new senior VP, state-sponsored programs. He had been chief transition officer for Health Net and chief operating officer for Health Net of the Northeast. Both men report to Daniel Finke, executive vice president, health care operations. Finally, Emblem named Carl Lund vice president, facility contracting. He had been United's VP, network management.

Senator Wants New Ingenix Probe

U.S. Sen. John D. Rockefeller IV, D-W.Va., asked the federal inspector general of the Office of Personnel Management to see how use of Ingenix databases may have reduced federal workers' out-of-network reimbursements. The comments came at the close of two Senate committee hearings on Tuesday. In remarks at the end of the sessions, Mr. Rockefeller said that testimony from Linda Lacewell, a top lawyer in the New York attorney general's office, showed that "the insurance industry's practices were hidden in a black box" when it came to determining "usual, customary and reasonable" rates. Mr. Rockefeller added that he is querying the top 25 insurers in the nation to find out the extent to which they relied on the company's cost data.

Guv jubilant over health reform victory

Gov. David Paterson simply gloated yesterday as he spoke of the new budget's preventive-care health reforms at a press briefing. He talked of the TV ad campaign by GNYHA and 1199 SEIU that "inaccurately" blamed him for the closure of Caritas Health Care. The expensive ads were an attempt to fight cuts and at least delay the reforms, given the fiscal crisis.

In the end, the reforms survived and "beat the lobbying effort," the governor said yesterday. "It doesn't happen every day, but it happened this week."

So how *did* those health reforms make it into the final budget? The Paterson administration convinced lawmakers that the fiscal crisis was the very reason to implement the reforms. Then, having the federal stimulus money available to help hospitals transition to a new reimbursement system "helped push us over the top," says Joe Baker, deputy secretary for health and human services.

Hospital lobbyists concede that their fight didn't work as well as expected, for a number of reasons. First, as the deficit grew weekly, their arguments lost potency. Second, lawmakers supported the Paterson administration's contention that these were reforms, not cuts. And finally, the hospitals did not get the Senate support that they might have garnered if the chamber were still controlled by the Republicans.

At A Glance

DINAPOLI: State Comptroller Thomas DiNapoli yesterday said the budget process resulted in a spending plan that "does not adequately respond to today's economic realities." He added that "while the budget proposes to close an unprecedented gap, it does so by an overreliance on nonrecurring federal stimulus funds and new tax revenues." Mr. DiNapoli promised to provide a more detailed view of the budget soon.

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