BAKER HEALTHCARE CONSULTING, INC.
SUITE 2000, BOX 82058
ONE AMERICAN SQUARE
INDIANAPOLIS, INDIANA
46282

DALE E. BAKER
PRESIDENT

March 5, 2003

Secretary of the Senate
Office of Public Records
232 Hart Building
Washington, DC 20510

Re: Untimely Filing of LD-2 for Year End 2002 Reports

Dear Secretary:

Baker Healthcare Consulting, Inc. is a very small firm with one full-time employee, l Baker, and one full-time leased employee, Karen K. Siders. Ms. Siders' father had surgery l in January 2003 and died on Tuesday, February 25, 2003. Ms. Siders used the Family Medi Leave Act to be with her father and her family throughout this most difficult period.

As a result, normal secretarial activities were delayed and the reports were not filed c to an oversight by Dale E. Baker.

We hope that we have not inconvenienced your office with this oversight. Our inten always been, is, and will continue to be, to fully comply with the Lobbying Disclosure Act c 1995 and its interpretation.

Sincerely,

BAKER HEALTHCARE CONSULTING, INC.

Dale E. Baker

Dale E. Baker

Enclosures

20868_1.DOC

Clerk of the House of Representatives	Secretary of the Senate
Legislative Resource Center	Office of Public Records
B-106 Cannon Building	232 Hart Building
Washington, DC 20515	Washington, DC 20510

SECRETARY
03 MAR 13

LOBBYING REPORT

Lobbying Disclosure Act of 1995 (Section 5) - **All Filers Are Required To Complete This Page**

1. Registrant Name
BAKER Healthcare Consulting, Inc.

2. Address ☐ Check if different than previously reported
One American Square, Suite 2000, Box 82058

3. Principal Place of Business (if different from line 2)
City: Indianapolis State/Zip (or Country) IN 46282

4. Contact Name: Dale E. Baker Telephone: 317-631-3613 E-mail (optional): BakerHealthcare@yahoo.com

5. Senate ID # 5164

7. Client Name ☐ Self
St Margaret Mercy Healthcare Centers Hammond IN

6. House ID # 3356

TYPE OF REPORT 8. Year 2002 Midyear (January 1-June 30) ☐ **OR** Year End (July 1-Dec

9. Check if this filing amends a previously filed version of this report ☐

10. Check if this is a Termination Report ☐ ⇨ Termination Date_____ 11. No Lobbyin

INCOME OR EXPENSES - Complete Either Line 12 **OR** Line 13

12. Lobbying Firms

INCOME relating to lobbying activities for this reporting period was:

Less than $10,000 ☒

$10,000 or more ☐ ⇨ $_____
Income (nearest $20,000)

Provide a good faith estimate, rounded to the nearest $20,000, of all lobbying related income from the client (including all payments to the registrant by any other entity for lobbying activities on behalf of the client).

13. Organizations

EXPENSES relating to lobbying activities for this rep period were:

Less than $10,000 ☐

$10,000 or more ☐ ⇨ $_____
Expenses (nearest $

14. REPORTING METHOD. Check box to indicat accounting method. See instructions for description of

☐ **Method A.** Reporting amounts using LDA definit

☐ **Method B.** Reporting amounts under section 603 Internal Revenue Code

☐ **Method C.** Reporting amounts under section 162 Internal Revenue Code

Signature Dale E. Baker

Printed Name and Title Dale E. BAKER, President

LD-2 (REV. 6/98) P

Registrant Name Baker Healthcare Consulting Client Name St Margaret Mercy HHC

LOBBYING ACTIVITY. Select as many codes as necessary to reflect the general issue areas in which th engaged in lobbying on behalf of the client during the reporting period. **Using a separate page for each co** information as requested. Attach additional page(s) as needed.

15. General issue area code MMM (one per page)

16. Specific lobbying issues

See Attached

17. House(s) of Congress and Federal agencies contacted ☐ Check if None

Senate

House of Representatives

18. Name of each individual who acted as a lobbyist in this issue area

Name	Covered Official Position (if applicable)
Dale E. BAKER	
John C. Reader	
Robert Grant	
Michael Grubb	
William Morean	

19. Interest of each foreign entity in the specific issues listed on line 16 above ☐ Check if None

Signature Dale E Baker Date

Signature _____ Date _____

Printed Name and Title Dale E. BAKER

Registrant Name BAKER Healthcare Consulting Client Name St Margaret Mercy Hlthc

Information Update Page - **Complete ONLY where registration information has changed.**

20. Client new address

21. Client new principal place of business (if different from line 20)

City State/Zip (or Country)

22. New general description of client's business or activities

LOBBYIST UPDATE

23. Name of each previously reported individual who is **no longer** expected to act as a lobbyist for the client

ISSUE UPDATE

24. General lobbying issues previously reported that **no longer** pertain

AFFILIATED ORGANIZATIONS

25. Add the following affiliated organization(s)

Name	Address	Principal Place of Bu (city and state or co

26. Name of each previously reported organization that is **no longer** affiliated with the registrant or client

FOREIGN ENTITIES

27. Add the following foreign entities

Name	Address	Principal place of business (city and state or country)	Amount of contribution for lobbying activities

28. Name of each previously reported foreign entity that **no longer** owns, **or** controls, **or** is affiliated with the registran affiliated organization

Signature Dale E. Baker Date March 6, 200

Printed Name and Title Dale E. Baker, President

Form LD-2 (Rev. 6/98)

Page

COUNTYWIDE RECLASSIFICATION EXECUTIVE SUMMARY

In 1989 Congress established the Medicare Geographic Classification Review Board specifically instructed the Department of Health and Human Services, Centers for Medicare Medicaid Services (CMS) to provide for countywide reclassifications. CMS promulgated regulations limiting counties eligible for these reclassifications to a county included in a PM that is a part of a CMSA (a short list of counties adjacent to large urban areas such as Chica New York City and Los Angles. Accordingly, CMS established criteria to demonstrate that countywide costs are "comparable" to the area to which the county seeks redesignation. CM chose to develop formulas comparing countywide costs per discharge to the Prospective Pay System (PPS) rates that hospitals were paid in both the home geographic area and secondly, rate they would be paid if the hospitals were reclassified. If the countywide cost per case exceeded the base rate plus 75% of the difference between the base rate and the reclassified - then the county hospitals met this criteria for reclassification. CMS used ***rates as a proxy*** costs.

In FFY 1995 twenty-three counties were granted countywide reclassifications. Start in 1996, the number of countywide reclassifications began to plummet because the relations of costs to rates has changed over time. The site of care has shifted to outpatient for many services and hospitals have greatly expanded the outpatient units. Also, many hospitals hav opened post acute care units (SNF, psych, rehab, home health) and now allocate fixed overh costs to these newer units instead of the fixed costs being fully absorbed by the inpatient PP unit. The result of this is that counties are denied reclassification simply because of the cha in how medicine is practiced in the twenty-first century compared to earlier years.

In 1999, Congress granted two-year reclassifications in Section 152 of the BBRA to counties (Lake County, Indiana; Butler County, Ohio; Brazoria County, Texas; and Orange County, New York) that could no longer meet the countywide criteria. Through administrat action CMS extended these reclassifications through September 30, 2003.

These "Section 152 hospitals" are seeking either a permanent reclassification or a renewal of the earlier reclassifications. Some believe that such an extension is likely before Congress adjourns in October 2002.

We seek inclusion on the list of "Section 152 hospitals" if there is legislation to rene Section 152 reclassifications through Congress. Legislation needs to be approved for this hospital effective for discharges occurring October 1, 2002 and thereafter. The Section 152 hospitals need renewal as of October 1, 2003.

In the alternative, we request that Congress or the Administration change the criter equal the individual hospital reclassification and allow countywide wage index reclassificat the countywide group meets the 85% of average hourly wage criteria without requiring the r restrictive cost per case criteria to be met.