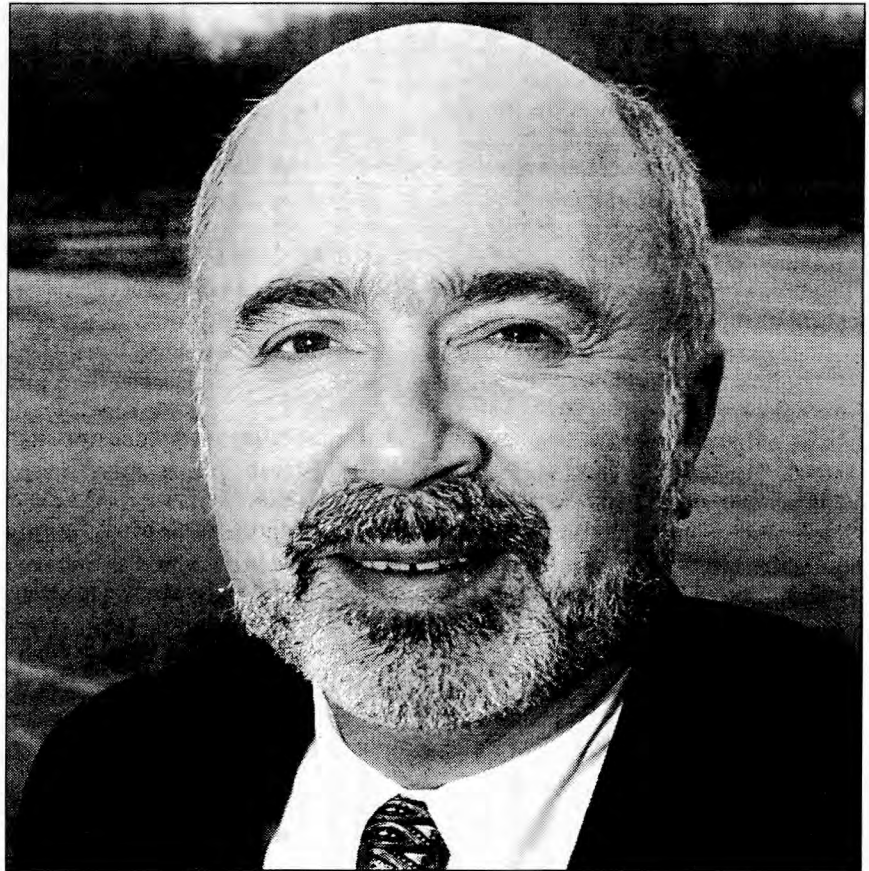


The Business Journal

December 28, 2001



JOHN ROBERTS

Stephen Brenton

Hospital advocate

Brenton to tackle rate regulations, federal funding

By Phill Trewyn

By naming Stephen Brenton as its new president and chief executive officer, the Wisconsin Health & Hospital Association will escalate its role in fighting to increase levels of federal Medicare and Medicaid funding for the state.

Boosting such funding was a top priority for Brenton in his previous job as president of the Iowa Hospital Association. He wants the issue to be a priority for Wisconsin's delegation in Congress.

"I'm going to be enhancing the WHA's federal focus," Brenton said. "I'm absolutely convinced that these Medicare payment disparities are having a huge impact on the cost issue. We need our delegation more engaged."

Low reimbursement rates from the government for Medicare and Medicaid patients was cited by Wisconsin hospital officials as one of the primary rea-

sons that hospital rates increased an average of 7 percent in 2001. Both Iowa and Wisconsin are among the bottom third of states in Medicare and Medicaid funding.

Medicare is a federal program that provides health insurance to people over the age of 65. Medicaid is program operated by both the state and federal government for people younger than 65 who cannot afford private health insurance.

WHA's search committee emphasized the role it wants the new CEO to take in more aggressively addressing the Medicare and Medicaid funding issue, said Bill Petasnick, president and chief executive officer of Froedtert Memorial Lutheran Hospital and a member of the search committee.

Brenton's experience in political advocacy and building coalitions is the

Please turn to page 31

Brenton

Continued from page 3

primary reason he was chosen to fill the WHA opening, which was created by the retirement of Bob Taylor last summer.

"The minute we knew we had a CEO opening, we had one candidate in mind, and that's Stephen Brenton," said Ford Titus, president and chief executive officer of Waukesha Memorial Hospital and the incoming chairman of WHA's board of directors. "He brings tremendous advocacy strengths and strong legislative relations."

WHA leaders were familiar with Brenton, 49, because he previously worked for the group. Brenton, who grew up in Wausau, started his career as director of legislation for WHA in 1977 after graduating from the University of Wisconsin-Madison with a degree in political science. He had become a senior vice president by the time he left in 1988 to become president of the West Virginia Hospital Association, a position he held four years.

Brenton enters his new position having served as president of the Iowa Hospital Association for the past nine years. In that position, he established a reputation of being a visible, approachable leader who devel-

oped strong relationships within the Iowa legislature, says Kirk Norris, executive vice president and general counsel for the Iowa Hospital Association.

One of Brenton's first tasks will be to visit every hospital and health system chief executive in the first 18 months on the job. That means 145 visits.

Brenton, who starts his new job Jan. 2, said he is in the process of building an "advocacy team." He's already hired Eric Borgering, who was a health policy lobbyist for the state's largest business association, Wisconsin Manufacturers & Commerce.

"I firmly believe that in Wisconsin, if Medicare and Medicaid were paying their fair share of costs, (with) no margins — just their fair share of costs — we could reduce costs that we pass on to the commercial payers by double-digit amounts," Brenton said. "It's that significant."

Brenton calls the Wisconsin political scene more "hardball" than Iowa because of the partisan environment that pervades the state's legislature.

"I think we can significantly enhance our political clout by getting more volunteers, trustees, and employees involved in the (political) process," Brenton said.

He was able to that in Iowa by establishing what was referred to as "Legislative Day," on which hospital officials and volun-

STEPHEN BRENTON

AGE: 49

Title: President, chief executive officer, Wisconsin Health & Hospital Association

Family: Wife, Mary; sons, Matt 17; Andrew 15

Education: Bachelor of arts degree in political science, University of Wisconsin-Madison, 1975

Personal interests: Football fan, especially the University of Wisconsin and Green Bay Packers. Collector of presidential autographs and historical memorabilia. He has the autograph of every U.S. president except George Washington, Thomas Jefferson and John F. Kennedy.

teers were invited to Des Moines to meet with members of the legislature.

The possibility of state regulation of hospital rate increases and capital expenditures is another issue Brenton sees on the horizon in Wisconsin.

"I don't think there's any question we're going to have a public discussion on this issue," he said. "We're kind of having one now, and it may get far more serious."

Sen. Russ Decker (D-Weston) is drafting legislation that calls for the state's Public

Service Commission to regulate hospital rate increases, while Sen. Rodney Moen (D-Whitehall) is working on building support for regulatory measures.

When Brenton worked for WHA in the late 1970s and early 1980s, the state had a rate-setting commission, along with a certificate of need program in which hospitals had to demonstrate a need in the marketplace for most capital expenditures.

Brenton sees the talk of reviving such regulation in Wisconsin, especially controlling rate increases, as a reaction by politicians to the increasing cost of health care and the costs borne by employers.

"You tend to have health-care cost cycles, and things have been quiet for a few years, and now we're in a new cost cycle," he said. "I can appreciate the frustration, but I reject the notion that rate regulation is going to solve anything."

On certificates of need, Brenton said he senses some division within the WHA membership, so the issue could warrant further discussion.

Controlling health care costs means addressing the issues driving those costs, Brenton said. That will require looking at and addressing Medicare and Medicaid reimbursements, increasing pharmaceutical costs, and the shortage of clinical workers that's driving up labor costs, he said.