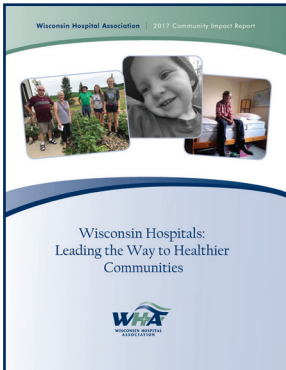


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Wisconsin Hospitals' Statewide Community Impact Totals \$1.8 Billion

Hospitals report over \$1 billion in Medicaid losses; Spent \$229 million on physician and health professional education, training



Memphis Zettler came into the world as a breech birth, the first of many medical issues he's faced in his young life. And while all kids are expensive, Memphis required multiple procedures and surgeries that initially were covered by BadgerCare. But when he became ineligible for that program, the family could not cover his medical expenses. That's when the hospital stepped

in to help. Memphis's family applied and qualified for financial assistance. It was a relief to his very worried family.

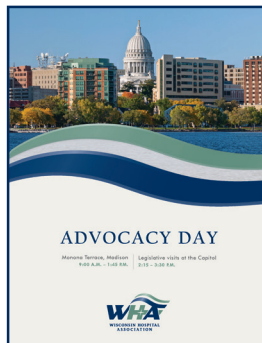
Memphis's story repeats itself multiple times across the state, every day. *(continued on page 5)*

Register Your Team Today for Advocacy Day 2018 – March 21 in Madison

Make plans now to make an impact in Madison on March 21. Join WHA for Advocacy Day 2018, one of the best ways hospital employees, trustees and volunteers can make an important, visible impact in the state capitol. You can register yourself and your team today at www.whareg4.org/2018AdvocacyDay.

As always, Advocacy Day 2018 will have a great lineup of speakers, including morning keynote Mara Liasson, national political correspondent for National Public Radio (NPR). In addition, Gov. Scott Walker has been invited to offer the luncheon address. The day will also include a legislative panel and an issues briefing for those planning to visit the state capitol to talk with their state legislators.

The afternoon of Advocacy Day is always a highlight, as hundreds of attendees take what they've learned and meet with their



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President's Column

Giving Thanks for Our Members

With 2018 squarely in view, we begin taking stock of all that has happened this year. A lot has been accomplished so far in 2017, which is shaping up to be another outstanding year for WHA. I'm excited to share more next month, but before we start patting ourselves on the back I want to take a moment to reflect on you, our members.

Associations can't exist without members, that is, without the dues they pay to fund operations. We thank you for investing in WHA, and strive every day to earn and sustain that support by listening to you, initiating relevant public policy, achieving meaningful outcomes and delivering unquestionable value. (Speaking of value, I'm very pleased to note that 2018 will mark the fourth time in the last six years that WHA *will not raise dues*).

But associations, particularly impactful advocacy organizations like ours, cannot thrive without engaged members. Indeed, member partners who go above and beyond writing the dues check by investing things even more valuable—their knowledge, experience, and insight, their time helping create and advance difference-making public policy, and most importantly, their voices.

As staff, we see the impact our members have every day. Our broadening advocacy agenda is crafted based on your input, and our accomplishments in Madison and Washington, DC simply would not be possible without your buy-in and commitment. I'll talk more about our 2017 achievements in the coming weeks, but today I want to

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legislators in the state capitol. Speaking up on behalf of your hospital by meeting with your legislators during Advocacy Day is essential to help educate legislators on your hospital and health care issues.

Make plans now to join over 1,000 of your peers from across the state at Advocacy Day 2018 on March 21. More information and online registration are available at www.whareg4.org/2018AdvocacyDay. For Advocacy Day questions, contact Jenny Boese at 608-268-1816 or jboese@wha.org. For registration questions, contact Kayla Chatterton at kchatterton@wha.org or 608-274-1820.

Register Today for 2018 WHA Physician Leadership Development Conference

March 9-10, 2018 *** The American Club, Kohler



Register Today at: www.cvent.com/d/ktqI9j

WHA to DHS: Don't Overlook Psychiatrists in Outpatient Behavioral Health Payment Increase

WHA submitted written comments November 17 to the Department of Health Services (DHS) on the implementation of Gov. Scott Walker's October 24 direction to DHS to improve access to treatment for mental health and substantive abuse disorders by increasing the Medicaid reimbursement for behavioral health services. WHA's written comments can be found at: www.wha.org/data/sites/1/pdf/11-17-17WHAcommentsForwardHealthBHoutpatientClaims.pdf.

In its written comments, WHA thanked the Governor and DHS for this important investment of \$7 million in state funds to increase Medicaid reimbursement rates for professionals providing outpatient mental health and substance use disorder services.

However, as DHS implements that increase, WHA urged DHS to include evaluation and management billing codes for psychiatrists, APNP-psych and psychiatric physician assistants in the list of procedure codes that will receive a reimbursement increase. WHA raised the evaluation and management billing code issue with DHS shortly after the October reimbursement announcement, and DHS invited WHA to formalize its feedback in written comments.

WHA specifically highlighted the need to include evaluation and management billing codes because there is often a misperception that all behavioral health billing codes are psychotherapy codes.

"Following national coding standard changes in 2013 that deleted dedicated psychiatric evaluation codes, the vast majority of outpatient services provided by psychiatrists are now billed on evaluation and management codes applicable to all health conditions and providers," says Matthew Stanford, WHA general counsel. "WHA wants to ensure the services psychiatrists provide to Medicaid enrollees are not overlooked when DHS implements this much-needed reimbursement increase for behavioral health services."

According to feedback provided to WHA by its members, evaluation and management billing codes make up at least 80 percent of psychiatrists' outpatient visits for Medicaid patients.

WHA also noted data in its comment letter that documents the critical shortage of physicians specializing in psychiatry, including that Wisconsin's psychiatrist supply can only meet 25 percent of the need for services, which ranks Wisconsin 8th worst in the nation. WHA received feedback from members that the psychiatry shortage is far more critical than any other behavioral health professional shortages in Wisconsin. *(continued on page 3)*

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Because of the more acute shortage of psychiatrists compared to other behavioral health professionals, WHA also expressed concern about a draft implementation proposal that would pay physicians specializing in psychiatry, APNP-psych, and psychiatric physician assistants at the same rates as other behavioral health providers without prescriptive authority and lesser education and training requirements. Currently, psychiatrists, APNP-psych, and psychiatric physician assistants receive a higher reimbursement than non-prescribing psychotherapists.

"Lacking identifiable benefits or policy rationale for moving from a four-tiered payment system to a two-tiered payment system that does not recognize differences in professional training levels, practice permissions such as prescriptive authority, salary expenses, and provider shortages, WHA does have concerns about adopting such a change," said Stanford in written comments to DHS. "It is unclear how such a change will help improve access to care, and such a change may have unintended negative consequences in Wisconsin's efforts to address its acute shortage of physicians specializing in psychiatry."

DHS has indicated it intends to implement the outpatient behavioral health reimbursement increase for Medicaid services January 1.

DHS Releases Emergency Preparedness Toolkits

Toolkits designed to help hospitals and others comply with new federal requirements

As has been reported previously in *The Valued Voice* (www.wha.org/pubarchive/valued_voice/WHA-Newsletter-9-16-2016.htm#7), last year the federal Centers for Medicare and Medicaid Services (CMS) finalized a rule (<https://www.federalregister.gov/documents/2016/09/16/2016-21404/medicare-and-medicare-programs-emergency-preparedness-requirements-for-medicare-and-medicare>) that establishes emergency preparedness requirements for hospitals and other health care organizations. The requirements of the rule went into effect November 15, 2017.

Recently, the Wisconsin Department of Health Services (DHS) created "toolkits" to assist hospitals and other health care organizations in complying with the new regulatory requirements. DHS developed a toolkit for hospitals, ambulatory surgery centers, long-term care facilities, rural health clinics, federally qualified health centers, home health agencies and other organization types.

According to DHS, "[e]ach of these toolkits gives facilities that fall under the new rule an overview of the requirements for their provider type, as well as some sample templates that can be used in their planning efforts." The toolkits are available on DHS's website at <https://www.dhs.wisconsin.gov/preparedness/contact.htm>.

The CMS rule adds regulations to existing Conditions of Participation that health care organizations must meet in order to participate in Medicare and Medicaid. Under the rule, organizations must develop an emergency preparedness plan, communications plan, policies and procedures, and a training and testing program. In addition, hospitals and long-term care facilities must implement emergency and standby power systems. Earlier this year, WHA hosted a member webinar discussing the new federal regulations.

If you have questions regarding emergency preparedness, contact Andrew Brenton, WHA general counsel, at 608-274-1820 or abrenton@wha.org, or visit www.wha.org/emergencyPreparedness.aspx.

Attestation System for Medicaid EHR Incentive Program Re-Opens

The Wisconsin Department of Health Services (DHS) recently announced the Medicaid Electronic Health Record (EHR) Incentive Program attestation system has re-opened for Program Year 2017.

Under the Medicaid EHR Incentive Program, eligible hospitals and professionals (i.e., certain qualifying physicians, dentists, certified nurse-wives, nurse practitioners and physician assistants) may receive Medicaid incentive payments for demonstration of meaningful use of certified EHR technology. For Program Year 2017, eligible hospitals and professionals must report for any continuous 90-day period within calendar year 2017 on the so-called “modified” Stage 2 objectives and associated measures.

According to DHS, only one hospital in Wisconsin remains eligible for a Medicaid incentive payment. More physicians and other eligible professionals, on the other hand, may have remaining years of eligibility under the Medicaid EHR Incentive Program: such professionals can receive up to six years of non-consecutive incentive payments, and 2021 is the last year in which such professionals may receive a payment.

General information regarding the Medicaid EHR Incentive Program can be found at the Program website at www.dhs.wisconsin.gov/ehrincentive/index.htm. If you have any questions or want more information about the Program, contact Program staff at dhsehrincentiveprogram@wisconsin.gov.

AHA Award for Community Collaboration – Get Recognized!

The American Hospital Association (AHA) invites hospitals and health systems partnering with community organizations to help residents be healthier to apply for the AHA NOVA Award. Previous award recipients have organized a health and wellness alliance to fight childhood asthma, operated a mobile medical clinic to serve lower-income children, and worked with community partners to expand dental care—emergency and preventive—for uninsured residents. Visit www.aha.org/nova to learn more. Applications are due December 8, and awards will be presented at the 2018 AHA Leadership Summit in San Diego.

Fast Facts from the WHA Information Center

November is COPD Awareness Month

More than 11 million Americans live with Chronic Obstructive Pulmonary Disease (COPD), a lung disease that makes it difficult to breathe. The Centers for Disease Control reported a 5 percent COPD prevalence rate in Wisconsin.

According to the WHA Information Center, in 2016, there were 9,370 inpatient admissions related to COPD, including 11,251 emergency room visits, to Wisconsin hospitals.

From chronic cough and shortness of breath to fatigue and wheezing, life is difficult with COPD. COPD is the third-leading cause of death in the U.S. (after cancer and heart disease). But, the good news is COPD is often preventable and treatable, with options that include medication, pulmonary rehabilitation, physical activity training and oxygen treatment.

Data provided by the WHA Information Center (WHAIC). WHAIC (www.whainfocenter.com) is dedicated to collecting, analyzing and disseminating complete, accurate and timely data and reports about charges, utilization, quality and efficiency provided by Wisconsin hospitals, ambulatory surgery centers and other health care providers.



Continued from page 1 . . . WI Hospitals' Statewide Community Impact Totals \$1.8 Billion

In 2016, Wisconsin hospitals reported spending nearly \$190 million in free care, a more than \$10 million increase over 2015, according to a new report from the Wisconsin Hospital Association (www.wha.org/pdf/2017cbReport.pdf).

"While the ACA expanded coverage for thousands of people in our state, it did not eliminate the need for charity care," according to WHA President/CEO Eric Borgerding.

"People still fall through the cracks. The unexpected happens. They lose their job, become very ill or require emergency care that they cannot afford. That's when hospitals and health systems step in and provide assistance to ensure their patients receive the care they need to resume as normal of a life as possible."

Hospitals lost more than \$1 billion caring for patients in the Medicaid program and lost \$1.7 billion on Medicare in 2016, according to the WHA 2017 Community Impact Report. Medicaid only pays hospitals about 65 percent of what it costs to care for this vulnerable, and often medically-complex, patient population. Medicare reimburses hospitals at a rate that is about 78 percent of cost.

Wisconsin hospitals use their resources to provide programs and services that support the people in their communities. These activities range from providing financial assistance to sponsoring free clinics, sponsoring health education opportunities, partnering with local employers to increase access to care, and working with other community organizations on complex socioeconomic issues.

"Wisconsin hospitals commit financial and human resources to improve the overall health status of the citizens of our state by providing essential services in their communities, which, if they were not available, would place a much greater burden on our state and local governments," according to Borgerding. "By doing this, Wisconsin hospitals and health systems support a health care 'safety net' across the state and ensure our most vulnerable populations receive the care they need."

WHA surveys all of its member hospitals and health systems annually and asks them to describe and quantify the programs, services and activities they provide at or below cost, solely because those programs meet an identified health need in the community.

Hospitals Support Clinical and Graduate Medical Education

Workforce shortages are one of the most pressing issues facing Wisconsin hospitals. It is essential that hospitals have staff to provide critical services 24 hours a day, every day of the year. Hospitals are investing their own resources to ensure Wisconsin has the workforce in place to meet the growing demand for health care.

In 2016, hospitals spent \$187 million on graduate medical education for physicians and \$12.5 million on education and clinical experiences for nurses.

Hospitals Absorb More Than \$14 Million Loss Operating Nursing Homes

Keeping those who are elderly or in need of rehabilitation services in the community is one of the most valued and necessary services requested by patients and their families. In some communities, hospitals are the sole providers of those services. In 2016, the 15 hospitals that operated nursing homes reported losses totaling more than \$14 million, a \$2 million increase over 2015.

Hospitals Identify Community Health Needs, Develop and Implement Plans

Good health requires more than just health care. Hospitals are leading efforts to identify and prioritize community needs, and conducting formal community health needs assessments (CHNA) to assess, address and prioritize community health needs. While the formal process is new to some, the work is not. Improving the health of the entire community is at the heart of every hospital and health system's mission. *(continued on page 6)*

Community Benefits

Charity Care at Cost	\$187,907,925
Medicaid Shortfalls	\$1,097,007,404
Losses on Other Public Programs	\$29,512,775
Subsidized Health Services	\$117,450,745
Nursing Home Losses	\$14,134,732

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While each hospital conducted a local CHNA, the types of problems identified across the state shared some similarities. Most of the hospitals identified several of the following as issues in their community: access to care, mental health, alcohol and drug abuse, nutrition, obesity, physical activity and tobacco. Hospitals reported spending \$68 million on activities and programs aimed at improving community health.

"Hospitals have never allowed the boundaries of their campus to restrict their engagement with the community," according to Borgerding. "Hospitals use their human and financial resources to focus on factors that improve people's health while creating a healthier environment that attracts new economic development and makes our state a great place to live and work."

The WHA 2017 Community Impact Report (www.wha.org/pdf/2017cbReport.pdf) has nearly 100 patient stories, including Memphis, and descriptions of free and reduced-cost services that hospitals provide in their communities.

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acknowledge how your engagement has not only supported but helped advance our advocacy work.

Here is a "by the numbers" look at what you have done to support our advocacy operation and engage with WHA to advance our agenda in 2017:

- 99.5% - percentage of WI hospitals/health systems that that are members of WHA (and have been since 2002)
- 100% - retention rate of WHA members since 2002
- 1,000+ - WHA members who attended Advocacy Day
- 615 - WHA members who visited their state elected officials on Advocacy Day
- 7,117 - emails sent to elected officials in response to WHA action alerts
- 1,290 - phone calls made to elected officials as a result of WHA action alerts
- 510 - letters written to elected officials stemming from WHA alerts
- 3,612 - members who participated in WHA educational programming
- 302 - individual contributors to the Wisconsin Hospitals PAC and Conduit
- 59 - hospital and health system CEOs who took time to meet one-on-one with WHA senior staff
- 55 - meetings held by WHA member-driven councils, task forces, work groups, regions and boards.
- 25 - WHA member-hosted roundtable meetings with elected officials, attended by nearly 300 members
- 18 - WHA members who testified at legislative hearings across the state
- 6 - WHA-organized trips to Capitol Hill in Washington, DC with nearly 50 members joining
- 1 - Where the Wisconsin Hospitals Conduit ranked in the last election cycle

WOW!

And speaking of your impact, WHA talks a lot about Wisconsin's great health care system, but you and the health care professionals on your team are the ones who actually make it happen, aided by sound public policy. Together, our members have made Wisconsin the best place in the country for health care. More to come on that, too, but please know it is our privilege to represent and partner with some of the very best hospitals and health systems in the country.

On behalf of the entire WHA team, a giant "thank you" to our members across the state for all the different ways you support and partner with WHA. We are here for you, and you have been here for us.

Best wishes for a safe and happy Thanksgiving.

Eric Borgerding, President/CEO