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**EDUCATIONAL EVENTS**

- June 12-14, 2019**  
*Wisconsin Rural Health Conference*  
Wisconsin Dells, WI
- Throughout 2019**  
*Health Care Workforce Resilience Free Member Webinar Series*

Visit [www.wha.org](http://www.wha.org) for more educational opportunities

**Judge Rules in Favor of 340B Hospitals Again**

On May 6, federal Judge Rudolph Contreras [ruled](#) that the U.S. Department of Health & Human Services (HHS) again exceeded its statutory authority when it decreased payments to 340B hospitals by nearly 30% in the 2019 Outpatient Prospective Payment System (OPPS) rule. The ruling comes on the heels of a similar [ruling](#) by Judge Contreras in December 2018 declaring the same cuts under the 2018 OPPS rule were unlawful. In the previous ruling, the court had asked HHS and the plaintiffs to suggest remedies for the court to explore.

In his most recent opinion, Judge Contreras considered the plaintiffs’ suggestions submitted after the December 2018 ruling in which the plaintiffs noted a remedy would not need to be budget neutral. In other words, HHS could repay the losses to hospitals impacted by the 2018 and 2019 rules without having to recoup that money from other outlays paid out in the OPPS system. The judge did not make a determination on that point, and instead asked HHS to take “the first crack at crafting appropriate remedial measures” by August 5. The American Hospital Association has since filed a motion requesting HHS to move up the deadline to June 28 in advance of HHS proposing a 2020 OPPS rule.

The 340B prescription drug program helps hospitals that serve a disproportionate share of Medicaid recipients obtain certain outpatient prescription drugs at a discount. The program was created to stretch scarce federal resources, recognizing that Medicare rates (which pay about 75% of the cost of care in Wisconsin) do not cover the full cost of care.

*(continued on page 2)*

**Wisconsin Worker’s Compensation Rates – One of the Best in the Midwest**

In the months ahead, the Wisconsin Department of Workforce Development’s (DWD) Worker’s Compensation Advisory Council (WCAC) will begin its biennial process of developing a worker’s compensation (WC) proposal that goes to the Legislature for discussion. WHA staff are already actively engaging the administration and Legislature to protect Wisconsin’s effective and unique WC model. As the data indicates, Wisconsin’s WC model compares favorably across the board in terms of declining premium and medical costs, faster return to work, high employee satisfaction, and some of the lowest rates of litigation in the nation.

Every year, DWD compiles WC rates across employment sectors and produces a [Midwest comparison](#). Wisconsin has historically been a leader in the Midwest, and continues to be, as shown in this graphic.



The WCAC reconvenes May 14, and WHA will continue to share legislative updates in *The Valued Voice*. Contact WHA Vice President of Public Policy [Lisa Ellinger](#) with questions.

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It is important to note that HHS may still appeal this decision, which makes full resolution of this issue still very uncertain. In the meantime, 340B hospitals impacted by the OPPS rules are encouraged to continue taking steps to preserve their appeal rights. 340B hospitals are also encouraged to sign onto the [American Hospital Association's good stewardship principles](#) to better communicate the program's value to Congress.

For questions, contact WHA Director of Federal and State Relations [Jon Hoelter](#).

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## Trump Administration Issues Guiding Principles to Address Surprise Billing

While Congress continues to debate a number of proposals to address the issue of surprise medical bills, President Donald Trump issued some [guiding principles](#) for addressing the issue. The President said his administration wants to ensure patients are not taken advantage of and have the price information they need to make informed decisions. While the principles do not offer many details, they encompass the following ideas:

- Ensure that both emergency and non-emergency care that patients did not choose do not result in a surprise bill;
- Ensure patients know whether scheduled care is in or out of network, as well as what the cost impact of out-of-network care might be;
- End the practice of balance billing for out-of-network emergency care; and,
- Federal health care expenditures should not increase

When asked, the Trump administration also expressed a lack of enthusiasm for bills that would establish an arbitration process, which have been discussed in the U.S. Senate.

In April, WHA met with Wisconsin's Congressional Delegation and [voiced support for improving health care transparency](#) and reducing surprise medical bills, noting its [PricePoint](#) and [CheckPoint](#) websites that have allowed consumers to access meaningful cost and quality data on Wisconsin hospitals for 15 years. WHA is also reconvening its Transparency Task Force to compile new industry advancements and best practices pertaining to price transparency.

Contact WHA Vice President of Public Policy [Lisa Ellinger](#) or WHA Director of Federal and State Relations [Jon Hoelter](#) for more information.



## Wisconsin Healthcare Business Forum (WHBF) Event Spotlights Exciting Advancements in \$50 Billion Industry



Karen Frick, PhD, Estrigenix Co-founder

Estrigenix Therapeutics co-founders Dr. Karyn Frick of [UW-Milwaukee](#) and Dr. Daniel Sem of [Concordia University](#) presented their research findings to an engaged audience at the UW-Milwaukee Innovation Accelerator on May 9. The discussion provided an overview of risks associated with current hormone therapies, and the long-term cognitive vulnerabilities associated with hormone declines in menopause.



The Estrigenix-patented solution seeks to address symptoms associated with menopause, such as hot flashes, but is also studying the long-term impact on dementia and memory decline in post-menopausal women.

The speakers noted that estimates project a \$28 billion market for hormone therapies by 2022, and a similar market for Alzheimer's therapy by 2026. On average, 27 million women experience menopause each year in the U.S. While 80% experience adverse symptoms, only half receive therapeutic treatment during

menopause, largely due to concerns about the associated risks.

The forum also highlighted the benefits and proactive, collaborative efforts to “cross fertilize” talent and research in the Milwaukee area.

Information about future WHBF Innovation Network Luncheons is available [here](#). For more information about the WHBF, contact WHA Vice President of Public Policy [Lisa Ellinger](#).

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## WHA Seeking Comment on Draft CMS Memo on Hospital Co-location Arrangements



The Centers for Medicare & Medicaid Services (CMS) has issued long-awaited [draft guidance](#) on application of exclusive use requirements in the Medicare Conditions of Participation (CoPs) for PPS and CAH hospitals that implicates hospital co-location and shared services arrangements. Despite increased enforcement in recent years by CMS regarding co-location issues, prior to the draft memo, there was no formal guidance from CMS on such arrangements.

CMS is seeking comments on the draft memo, which are due by July 2. WHA will provide a comment letter to CMS and is requesting feedback from hospitals on impacts and recommended changes to the draft guidance.

In July 2016, WHA [spearheaded a letter](#) together with the Rural Wisconsin Health Cooperative that was sent from Wisconsin's Congressional Delegation to CMS, expressing significant concerns with enforcement actions by CMS regarding co-location and shared services arrangements and the negative impact they could have on rural health care access. That letter called for CMS to review its increasingly restrictive review and approval of shared space/mixed-use sites.

Specifically, the draft memo provides guidance regarding application of the CoPs in some key areas:

- **Shared spaces.** The draft memo clarifies that it is acceptable for hospitals and a co-located health care entity to have shared public areas such as entrances and waiting rooms, but clinical spaces should not be shared due to infection control, patient management, confidentiality, and other quality and safety concerns.
- **Shared staffing.** The draft memo addresses shared staffing, saying that while it is acceptable for privileged and credentialed medical staff to “float” between the hospital and another health care entity during the same time, nurses and other staff may not do the same, but must be assigned to only one entity at a time.
- **Time share arrangements.** The draft memo does not address issues of time-sharing, such as when a facility would enter into an agreement with a visiting provider authorizing the provider to use waiting room or other space in the hospital. Previously, CMS indicated it would be providing guidance regarding such timeshare arrangements.

If you have questions about the [draft memo](#) or have comments or recommendations that you would like to see addressed in WHA's comment letter to CMS, contact WHA General Counsel [Matthew Stanford](#) or WHA Director of Federal Relations [Jon Hoelter](#).

## Celebrate National Hospital Week May 12-18



The Wisconsin Hospital Association joins hospitals across the country in celebrating National Hospital Week May 12-18. This year's theme is "Celebrating Hope and Healing," recognizing more than 150,000 people employed in Wisconsin health care, all contributing in some way to the care of others.

This week celebrates the hospitals, health systems, and the women and men who support the health and well-being of their communities with kindness, compassion, and dedication. It's an opportunity to thank all the dedicated individuals—physicians, nurses, therapists, food service workers, volunteers, administrators and so many more—for their contributions.

"This week, we stop to acknowledge and thank the dedicated people who work or volunteer in Wisconsin's hospitals and health systems who provide remarkable care for patients, families and communities every day," said Eric Borgerding, WHA President and CEO. "They are the reason Wisconsin is nationally recognized for its high-quality, high-value health care."

The American Hospital Association has created a [digital toolkit and a template](#) for a #MyHospital social media campaign that organizations can use during the week.

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## May is National Stroke Awareness Month



### FAST FACTS

According to the WHA Information Center, in calendar year 2018, there were 9,554 inpatient admissions, 3,111 emergency room visits (treated and released), 891 observation care visits and 13,305 hospital visits that required imaging, lab work or other medical services where primary or secondary treatment was for stroke.

- Stroke is the third leading cause of death in the United States, killing nearly 140,000 Americans each year—that's 1 of every 20 deaths.
- Every four minutes, someone in the United States dies of stroke.
- Every year, more than 795,000 people in the U.S. have a stroke. About 610,000 of these are first or new strokes; 185,000 are recurrent strokes.
- Stroke is an important cause of disability and reduces mobility in more than half of stroke survivors age 65 and over.
- Stroke costs the nation \$34 billion annually, including the cost of health care services, medications and lost productivity.

Recognizing stroke signs and calling 9-1-1 will get someone to a hospital rapidly, leading to a better outcome.

See WHA's CheckPoint website for data related to Wisconsin hospitals' [mortality and readmission rates for stroke](#).