

THE VALUED VOICE

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Evers Enacts State Budget with 78 Line-Item Vetoes

Governor Tony Evers signed his first biennial budget into law on July 3, using his partial veto authority to change or delete 78 different items with varying impact on process and policy. State agencies will now begin implementing the state budget, which will be law through June 30, 2021.

"The enacted state budget includes a number of WHAadvocated priorities that will help improve access to health care across Wisconsin," said Eric Borgerding, WHA President. "The final product reflects the overall priority that Democrats

and Republicans place on health care, and WHA recognizes and appreciates both the Legislature and the Governor for their work."

Below are areas addressed in the final enacted budget that impact WHA's legislative agenda:

Overall Medicaid Funding: The Governor funded the \$886 million Medicaid cost-to-continue, making a small adjustment to reflect updated Medicaid spending projections in his veto message. This marks the fourth straight budget in which the cost of continuing the Medicaid program has been fully funded, with no cuts to base funding. This is not the situation in many other states and should never be taken for granted. More so, overall the enacted

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Registration Now Open: Second Annual WHA Post-Acute Care Conference

Register by August 6 for early-bird rate

WHA is presenting its second annual Post-Acute Care Conference, <u>Challenges in</u> Post-Acute Care: Discharging Complex Hospital Patients, on Friday, September 6 at the Kalahari Resort in Wisconsin Dells. Join colleagues at this one-day program that will address the challenges hospitals face in finding appropriate, accessible post-acute care for complex patients waiting to be discharged.

State and national experts will discuss complex patient review committees, tracking excess patient days, expediting guardianship, nursing home care for complex patients, and other important topics.

Keynote speakers: Dr. Josh Luke, founder of the National Readmission Prevention Collaborative and health policy professor at the University of Southern California; and Judy Baskins, retired Chief of Clinical Integration and Ambulatory Services for Palmetto Health in Columbia, South Carolina and adjunct professor with the University of South Carolina School of Medicine.

<u>Register</u> by August 6 to take advantage of the early-bird rate.

For conference-related questions, contact WHA Vice President of Policy Development Laura Rose.

EDUCATIONAL EVENTS

September 6, 2019

WHA 2019 Post-Acute Care Conference Wisconsin Dells, WI

Throughout 2019

Health Care Workforce Resilience Free Member Webinar Series

Visit <u>www.wha.org</u> for more educational opportunities



WHA Comments on CMS Draft Co-location Guidance

Disappointed in lack of guidance for CAHs

On July 2, WHA submitted comments regarding draft guidance the Centers for Medicare & Medicaid Services (CMS) has proposed to clarify co-location arrangements between hospitals and other health care entities.

While WHA offered its appreciation for CMS taking a step in the right direction by proposing new clarification on how CMS views these arrangements, WHA expressed concern and disappointment that the draft guidance appears to not address key critical access hospital (CAH) co-location issues involving visiting specialists.

In 2016, WHA convened meetings with our local members and regional CMS representatives to address concerns about CMS taking action to revoke the provider-based status of a critical access hospital's clinic operations solely because the hospital had a space leasing agreement with visiting specialists. Those concerns were raised in meetings with CMS, as well as in a <u>letter from</u> <u>Wisconsin's Congressional Delegation to CMS</u> spearheaded by WHA.

Based on discussions and CMS' intent to provide new clarification, it appeared this announced draft guidance would resolve these concerns; however, the memo appears to be silent on these types of arrangements.

Further, since the draft guidance memo was released, CMS has subsequently stated it does not intend for this memo to be applied to critical access hospitals because CAHs cannot co-locate with other hospitals due to the 35-mile requirement. WHA wrote in its comment letter that the non-applicability of the guidance to critical access hospitals misunderstands the question posed by CAHs:

"Is a CAH's [provider-based] status at risk because it enters into an agreement with a visiting physician or other health care professional—*not another hospital or facility*—to temporarily utilize the hospital's provider-based clinic space when such physician or other health care professional will independently bill Medicare for services provided as non-hospital-based services? Such an arrangement would actually result in a lower cost to Medicare, yet our members have heard that CMS has revoked provider-based status of critical access hospital clinic operations solely because the hospital had a space leasing agreement with visiting providers."

WHA urged CMS to work quickly to correct this lack of clarity as part of CMS' efforts to remove regulatory uncertainty and provide flexibility in hospital partnerships with other providers.

Despite this missed opportunity, other parts of the memo do appear to be a step in the right direction. WHA offered support for CMS' proposal to allow hospitals to share certain nonclinical spaces, such as waiting rooms or hallways. It also commented in support of allowing physicians to float between two entities, when appropriate.

However, WHA urged CMS to provide further flexibility by allowing certain clinical spaces to be shared in circumstances where infection control could be coordinated and patient privacy could remain protected. It also recommended clarifying that advanced practice providers should be able to float between two entities, and that certain managerial staff such as nurse manager and pharmacy or lab directors be allowed to float as well.

For more information, contact WHA Director of Federal and State Relations <u>Jon Hoelter</u> or WHA General Counsel <u>Matthew</u> <u>Stanford</u>.

The WHA Information Center Introduces Derek Buchholz

Derek Buchholz started on July 8 as the WHA Information Center (WHAIC) Visualization Analyst. His primary responsibility is to support new and existing business intelligence/analytics/visualization solutions (Kaavio and Tableau), as well as resolve issues with reports and data as identified by WHAIC customers. Derek will also develop and maintain dashboards, and support members with visualization needs.

Derek comes to WHAIC from American Family Insurance where he was an Analytics Specialist. He also spent several years working with systems and data at Focus on Energy, and has worked at Epic Systems as a Quality Assurance Specialist.

Derek graduated from UW-Madison with a Bachelor of Business Administration, Marketing. Contact <u>Derek</u> for any of your business intelligence and visualization needs.



PricePoint: A Valuable Resource for Both Consumers and Health Care Professionals

Wisconsin Hospitals Accountable for Transparency



Since 2005, the WHA Information Center's (WHAIC) <u>PricePoint website</u> has provided patients and families with important information about health care services and charges in Wisconsin. A national model for transparency, PricePoint embodies the long-standing commitment of Wisconsin hospitals to share information that can help patients and families make informed decisions about their health care.

In 2017, WHAIC expanded the hospital-specific information in PricePoint to include services and charges that may be provided by non-hospital providers across the state. This creates a more complete picture of the charges associated with a particular procedure or treatment.

Powered by data from both WHAIC and the Wisconsin Health Information Organization (WHIO), PricePoint can help patients and families better understand the services that might be part of their care plan and contribute to the charges they may see on their bill or in a report from their insurance company.

PricePoint also includes an insurance checklist which directs patients to contact their health insurer to help determine their out-of-pocket cost. The checklist even includes reminders to ask about particular practitioners that may be involved in their health care, such as radiologists and anesthesiologists, so as to avoid potential surprise billing issues in the event those practitioners are not covered by their insurance plan.

PricePoint caters to health care professionals by providing a portal designed specifically for hospitals and health care providers which allows them to engage in patient conversations related to cost, as well as compare their hospital's charges to peer prices and services.

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Users can:

- Step through a user-friendly, guided process for selecting the services and hospitals specific to their health care needs;
- Compare charges and other key information for hospitals; and,
- Obtain information on the statewide average charges for services that may be provided by non-hospital providers in Wisconsin, such as pharmacy, professional services, labs, rehabilitation, skilled nursing and others.

For more information about PricePoint and how it can help your facility with price transparency, contact WHAIC Vice President and Privacy Officer <u>Jennifer Mueller</u>.

budget boosts Medicaid spending by \$510 million in state dollars (GPR) and about \$1.4 billion in all funds (i.e. state dollars and matching federal dollars) in the coming biennium.

- **Disproportionate Share Hospital Program (DSH):** The Governor approved the WHA-backed funding increase for DSH in the Legislature's budget but vetoed the Legislature's earmark of \$60 million GPR (\$147.8 million all funds) over the biennium. Instead, the Governor's veto will "allow the Department of Health Services the flexibility to determine the amount of additional funding under the Disproportionate Share Hospital supplemental payments to hospitals." The Governor retained the increased DSH cap that was included in his original budget, ensuring that currently capped hospitals can participate in the coming, but yet-to-be-determined, DSH increase. WHA will work with the Wisconsin Department of Health Services (DHS) and policymakers as work moves forward to implement this provision.
- Rural Critical Care Program (RCC): The Governor approved the WHA-backed RCC, including the Legislature's full increase for the program, which provides a significant reimbursement boost to rural hospitals that do not meet certain qualifying criteria for DSH. Under the signed budget, funding for the RCC increases from \$1.2 million to \$10 million all funds over the biennium, an increase of more than 800%, while expanding the number of hospitals that will qualify.

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- **Telehealth:** The Governor approved WHA-proposed telehealth reforms, including adding provider-to-provider consultations and remote patient monitoring as covered services in Medicaid.
- **Broadband Expansion:** The Governor approved the Legislature's \$44 million in funding for broadband expansion in rural Wisconsin, an important ingredient in expanding access to care through telemedicine.
- **Graduate Medical Education:** The Governor approved, without veto, WHA-proposed changes to the Graduate Medical Education grant program that will result in training more primary care physicians, psychiatrists and other in-demand specialty physicians who will practice in Wisconsin.
- Health Insurance/Coverage Navigators: The Governor approved the full \$1.1 million for health insurance outreach and education, which originated in his budget proposal and made its way through the legislative process. WHA was a strong proponent of these additional resources that help expand coverage and connect the nearly 50,000 people currently eligible for Medicaid and the estimated 240,000 people currently eligible for subsidized insurance on the Affordable Care Act (ACA) marketplace who have not enrolled in either program.
- Health Insurance Premium Stabilization: The Governor approved full funding for Wisconsin's share of the Healthcare Stability plan, which helps stabilize and actually reduce premiums for those who purchase coverage on the ACA marketplace and helps maintain Wisconsin's low uninsured rate. In part because of this program, premiums on the marketplace in Wisconsin actually declined by 4.2% in 2019.
- **Special Needs Dental Services:** The Governor approved the Legislature's \$2.5 million all funds in Medicaid reimbursement increases for dental services for those with disabilities. While not specified in the budget bill, the Governor's previous budget documents state the increases are for patients needing treatment in higher cost settings, including hospital operating rooms.

State budget advocacy begins well before the Governor gives his budget address in February. During the last 12 months, WHA councils, task forces and work groups were not only involved in developing policy recommendations, but their work—along with WHA's lobbying and advocacy efforts—led to key WHA-crafted policies becoming incorporated into Wisconsin's two-year state budget.

"I can't say enough about the advocacy effort mounted by WHA and our members over the past several months," Borgerding said. "That hard work helped deliver a budget bill that will improve access for vulnerable populations in every corner of Wisconsin."

WHA's advocacy arm supported direct lobbying in the state capitol through a variety of means including 2,500 HEAT member emails into the capitol, more than 500 Advocacy Day attendees meeting with 130 state elected officials, 10 HEAT Roundtables in state legislator's districts, in-person testimony from hospital leaders at all four Joint Finance Committee public hearings, over 100 hospital leaders signing onto written budget committee testimony, and more than two dozen personalized letters sent to the Governor from hospital leaders over the past week as he considered final action on the budget.

For more questions about the budget, contact <u>Kyle O'Brien</u> at 608-274-1820.

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