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EDUCATIONAL EVENTS

March 13 & 14, 2020
Physician Leadership Development Conference
 Kohler, WI

March 18, 2020
Advocacy Day
 Madison, WI

WHA Continues to Ready for COVID-19 Possibilities

WHA has been monitoring the evolving situation with coronavirus (COVID-19). The Feb. 25, 2020 [CDC update](#) noted that although the risk to the U.S. population is still currently assessed as low (the Wisconsin Department of Health Services notes the same for Wisconsin citizens), CDC’s update also said “it’s important to note that current global circumstances suggest it is likely that this virus will cause a pandemic.”

People Under Investigation (PUI) in Wisconsin

Test Results	Number of People
Positive	1
Negative	16
Pending	0
Total	17

Source: DHS, as of Feb. 27, 2020

At the state level, Wisconsin’s DHS is airing a special webinar **Friday morning (tomorrow) at 7 a.m.** for the latest information on COVID-19. Interested parties can join the webinar at this link: <https://livestream.com/accounts/14059632/events/9016549>. A recording of the webinar will be available afterward at the same link.

DHS has also asked WHA for assistance in publicizing an upcoming launch of a special email subscription service that clinicians can join to receive the latest COVID-19

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State’s Attorney General to Address WHA Advocacy Day

The state’s top law enforcement official, Attorney General Josh Kaul, will serve as the luncheon keynote speaker at WHA’s Advocacy Day 2020 on March 18 in Madison.

Attorney General Kaul won a statewide election in November 2018 and became Wisconsin’s 45th attorney general in January 2019. In his time leading Wisconsin’s Department of Justice AG Kaul has paid particular attention to fighting the state’s opioid crisis and the increasing incidence of illegal meth labs, as well as addressing issues critical to hospitals like mental health care and emergency detention policy.



AG Josh Kaul

Formerly a federal prosecutor in Baltimore, AG Kaul received his law degree at Stanford Law School and was president of the Stanford Law Review. He graduated from Yale with honors, majoring in history and economics. Growing up in Oshkosh and Fond du Lac, Kaul now lives in Madison with his wife and their two sons.

If you haven’t yet signed up for Advocacy Day, you can do so [here](#).

Senate Committee Hears Prompt-Pay Discount Legislation, Questions Insurance Criticisms

Earlier this week, state lawmakers heard testimony from WHA Board Chair-elect and Prairie Ridge Health CEO John Russell, UW Health Director of Revenue Cycle Amy Armstrong and WHA Attorney Laura Leitch in support of Senate Bill 763. The legislation, which passed the state Assembly on a bipartisan voice vote, clarifies in Wisconsin law the ability for health care providers to offer prompt-pay discounts on cost-sharing amounts, such as coinsurance and deductibles owed to a provider.



State Sen. Dale Kooyenga (R-Brookfield) and Senator Jon Erpenbach (D-West Point) testified together in support of the legislation. Erpenbach discussed a constituent contact he received last March from a patient who was informed on a billing statement that the provider gives patients a 10% prompt-pay discount in other states where they operate, but not in Wisconsin. Erpenbach stated this legislation is intended to fix that discrepancy and “allow Wisconsinites to be able to have the same discounts offered in other states.”

“The intent of this bill is really quite simple. It’s a pro-consumer bill that also reduces collection costs for the provider,” said WHA’s Laura Leitch in opening remarks to the committee.

Leitch noted the federal statute that originally could have prohibited the discounts has been addressed over the years because the federal

enforcement agency believed the statute could stand in the way of even beneficial arrangements, like a prompt-pay discount. The U.S. Department of Health and Human Services provided a safe harbor and then the HHS Office of Inspector General provided guidance recognizing specific safeguards that permitted a prompt pay discount program. This bill “aligns the state statute with the federal safeguards,” testified Leitch to the committee.

John Russell reminded the committee that out-of-pocket costs, like coinsurance and deductibles, are not a liability of the insurance company but become a responsibility and cost for the health care provider to collect.

“I think it’s important to note that once that process is done, those out-of-pocket costs are handed to [health care providers] and then we are working with the patients directly on collecting those dollars. The insurance companies are largely out of that process at that point,” Russell said. “It’s our financial counselors who are sitting down with patients, going through the process and coming up with a plan for how to pay.”

The Wisconsin Association of Health Plans testified “for information only” on the legislation but offered a list of state-specific amendments that do not align with federal guidance, including a requirement that discounts only be allowed after the patient hasn’t paid for 90 days. Other health insurance trade associations in Wisconsin have stayed neutral on the bill.

“Since this bill was heard in the Assembly, we reached out to providers on some of the proposals you have put forward and, specifically, the 90-day provision. The criticism that I’ve heard from providers is that this will actually encourage patients to pay late as opposed to promptly,” commented Sen. Pat Testin (R-Stevens Point), Chair of the Senate Health and Human Services Committee.

WEA Trust, a health insurance plan started by the Wisconsin Education Association Council in the 1970s, and Common Ground Cooperative, a health insurance cooperative started through federal taxpayer subsidies provided by the Affordable Care Act – and that reportedly has a 21.6% profit margin in the third quarter of 2019 and a medical loss ratio of 68% in 2018 – provided a litany of hypotheticals about their perceived impact of this legislation.

Lawmakers questioned their criticisms and assumptions.

“This doesn’t change the substance of the health insurance plan, like what the deductible is, what the amount charged is between the insurer and the provider, it really doesn’t change anything on the explanation of benefits,” responded Sen. Dale Kooyenga, lead author of the legislation.

Kooyenga went on to discuss the important balance Senate Bill 763 provides in creating appropriate safeguards that align with federal law, providing assurance to providers that, if the conditions are met, state law would not prohibit the discounts, and maintaining flexibility for providers and insurance companies to negotiate on terms of their contracts.

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(Senate Committee Hears Prompt-Pay Discount Legislation . . . continued from page 2)

Kooyenga asked committee staff from the nonpartisan Legislative Council to inform the committee about whether provisions in the bill would limit the ability for a health insurance plan to negotiate terms in a contract regarding the health plan member's ability to access prompt-pay discounts from providers.

"If this bill passes, and you [health insurers] decide it is not in your best interests your next contract says for our patients, even though it is allowed, you are not allowed to offer prompt pay discounts, would that still be allowed by individual plans if they felt it was in the plan's best interest?" asked Kooyenga.

"The bill does not prohibit the plans from putting into future contracts that could dictate whether or not providers who participate in that plan would be able to. [Health plans] could essentially prohibit it," said Legislative Council Attorney Steven McCarthy.

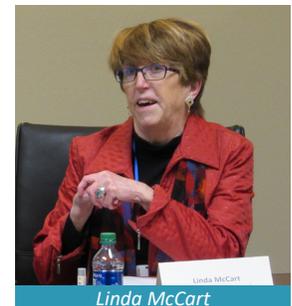
"From an industry perspective, I think it is in your best interest to have a more flexible and more marketable approach to providing services. If you guys think this is in your best interest in your plans and not allow your customers to have these discounts, then put it in your contract the next time you contract with a provider. But meanwhile, let the rest of Wisconsin provide these discounts to individuals who need them and are in a tight spot," said Kooyenga.

WHA Workforce Council Considers Opportunities to Grow, Support WI Health Care Workforce

WHA's Council on Workforce Development met Feb. 21 to learn about and to provide their expertise and experience in growing, retaining and best utilizing Wisconsin's health care workforce.

Wisconsin Department of Health Services (DHS) Policy Chief Linda McCart provided an update to the council on the impressive progress being made with WHA-backed workforce grant programs focusing on graduate medical education (GME) residency, advanced practice clinicians (APC) and allied health professions (AHP).

Several members of the WHA Council on Workforce Development are utilizing GME, APC and/or AHP grants and were able to share their experience with the DHS policy chief. All agreed training programs are a costly but very necessary endeavor and that the grants are beneficial in promoting this investment. Just one component of the grant program, the GME matching grants, have spurred an investment of \$32.6 million in more than 20 public-private partnerships to create new or expanded Wisconsin GME residency opportunities.



McCart shared both accomplishments and lessons learned by DHS and participants since the initiation of the first GME grants in 2013. McCart and her team are available to answer questions and break down barriers for Wisconsin hospitals and health systems wishing to utilize these grant dollars.



WHA Vice President, Workforce and Clinical Practice Ann Zenk presented an overview of [WHA's 2019 Wisconsin Health Care Workforce Report](#). Zenk shared information and recommendations from the report, noting that hospital data and hospital leaders' experience and expertise provide a valuable perspective to this annual analysis that helps policymakers key in on good health care policy, and that drives WHA's workforce agenda.

WHA Senior Vice President of Government Relations Kyle O'Brien, and WHA Director Federal & State Relations Jon Hoelter joined the group to discuss the achievement of WHA workforce legislative priorities during this session. These accomplishments include making permanent Wisconsin's participation in the Interstate Medical Licensure Compact, enabling qualified APCs to make competency determinations along with a physician for the purpose of activating a patient's advance directive, creating enhanced penalties for violence against health care workers and reforming Medicaid telehealth regulations.

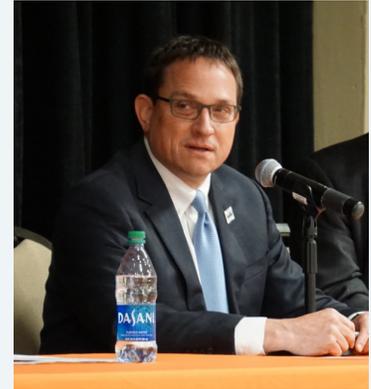
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(WHA Workforce Council . . . Continued from page 3)

There are still barriers that must be overcome if we are to grow our workforce faster, utilize the health care workforce we have more wisely, and best leverage technology to benefit access and the workforce. Hoelter updated the council on WHA's federal efforts to open up telemedicine access for Medicare beneficiaries and to remove arbitrary and outdated caps on GME funding.

WHA's Council on Workforce Development is made up of human resource, nursing and executive leaders from a cross-section of Wisconsin hospitals. Contact [Ann Zenk](#) with questions or feedback about the important work of this WHA council.

Inspiring Future Health Care Leaders



WHA President and CEO Eric Borgerding participated in a health care policy panel Feb. 26 at Carroll University in Waukesha. More than 150 students attended, the vast majority studying to be future health care providers. Borgerding emphasized that Wisconsin is a great place for clinicians to work and practice, increasingly due to the team-based care environment and ongoing efforts to enable top-of-license practice. He explained how WHA uses public policy and advocacy to modernize and update laws and regulations in these areas. He urged the students to stay and practice in this great environment and encouraged them to engage with WHA.

Other members of the panel included QuadMed Vice President of Business Development Matt Wilterdink, Husch Blackwell partner Tom Shorter and OSF St. Anthony Medical Center (Rockford) Vice President of Ambulatory & Procedural Services Suzanne Fischer. Carroll University Distinguished Lecturer and Professor Sarah Esveldt organized the event, which was sponsored by the university's Future Healthcare Executives club.

WHA Rural Physician Leaders Roundtable Holds Inaugural Meeting

31 members participate Feb. 19; discuss health care challenges facing rural communities and physicians who practice in rural settings

The WHA Rural Physician Leaders Roundtable held its first meeting Feb. 19. The roundtable purpose is to provide a forum for physician leaders in rural communities to connect, discuss common challenges, learn from each other, help one another become more effective physician leaders and to promote the vitality of rural health. The Rural Wisconsin Health Cooperative is a key collaborator in this new endeavor.

The formation of this roundtable is an outgrowth of an effort in the first half of 2019 to better understand how WHA can increase value in the physician space to WHA member organizations. Dr. Mark Kaufman, who was then new in his WHA chief medical officer role, had over 35 conversations/meetings with WHA Physician Leaders Council members, CEOs from WHA member organizations and other health care leaders across Wisconsin. A recurrent theme from physician leaders in rural communities was a feeling of relative isolation from their peers and a desire to connect with colleagues facing similar challenges.

Roundtable members hail from diverse rural communities across Wisconsin. The most common roundtable member leadership roles are medical director and chief medical officer but also include chief of staff, VP of medical affairs and site leader. Based on a pre-meeting survey, the top four rural physician leader responsibilities include clinical quality, medical staff leadership, provider engagement and physician recruitment/retention.

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(WHA Rural Physician Leaders Roundtable Holds Inaugural Meeting . . . continued from page 4)

Roundtable members discussed the most pressing health care issues facing their communities. **The overarching theme was a lack of resources.** Common issues include:

- Patient access for behavioral health and specialty care
- Clinical conditions including opioids/substance abuse, tobacco use, obesity and chronic disease management
- Physician recruitment and retention
- Cost of care to the patient; lack of insurance or being underinsured

Common physician leadership challenges include:

- Specialty coverage for patients
- Provider burnout
- Adequate time and training for their leadership role

The Rural Physician Leaders Roundtable will meet quarterly in 2020. Physicians interested in joining the roundtable or who would like to learn more should contact [Dr. Kaufman](#).

WHA's Post-Acute Care Work Group Examines Proposed HMO/Hospital Collaboration Strategies, Complex Patient Discharges

WHA's Post-Acute Care Work Group welcomed several guests to its Feb. 21 meeting at the WHA headquarters in Madison. Susan Seibert, deputy director, Bureau of Benefits Management in the Division of Medicaid Services, Wisconsin Department of Health Services (DHS) reviewed a draft collaboration plan created by DHS in response to input from WHA's Post-Acute Work Group. The plan proposes steps to improve collaboration between BadgerCare Plus and Medicaid SSI HMOs and Wisconsin



WHA's Post-Acute Care Work Group meeting, Feb. 21, 2020

hospitals regarding discharge planning or transitioning members to other settings. These include improving HMO-hospital communication, especially in times of transition when time is of the essence for action on prior authorization requests; opportunities for involvement in HMO contract administrator meetings to discuss and resolve issues of concern; and a regular process for DHS review of HMO policies that relate to BadgerCare member care transitions and discharge planning, and authorization processes for services

in post-acute settings. Work group members suggested revisions to the plan and Seibert will take back to DHS the work group's comments. A plan to communicate the collaboration plan's provisions to hospitals and HMOs will be developed once the plan is finalized.

Judy Baskins, former chief of clinical integration for Palmetto Health in Columbia, South Carolina, and Tom Brown, former president and CEO of Lutheran Homes of South Carolina, gave a presentation to the work group describing a pilot program they developed in South Carolina for post-acute care for complex hospital patients and its eventual statewide implementation. Through a process that involved the health system, skilled nursing facilities and the state Medicaid agency, a complex care program was developed that assesses Medicaid-eligible individuals in the hospital who no longer require hospitalization but need nursing home-level care. The patients in the program must have multiple complex needs. The program offers an enhanced rate to the nursing facilities when admitting these patients.

The final guests of the day were members of the Network for Innovation in Senior Care. The Network is a consortium of 16 organizations working across 24 Wisconsin counties, providing residential support and services for both rehabilitative and long-term care. One of the issues the Network is engaged in is transitions of care from senior living settings to the hospital and back. This problem encompasses both the flow of information between settings and the capacity of post-acute settings to provide care for patients with multiple and complex co-morbidities, which include patients with extreme obesity, skin grafts, tracheostomies, ventilators and other conditions.

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(WHA's Post-Acute Care Work Group . . . continued from page 5)

Issues discussed included the impact of “Medicaid pending” status on patient transitions, which can occur when a patient delays providing information required to determine Medicaid eligibility; a post-acute Medicaid rate that doesn’t cover the cost of caring for a complex patient; and the steps that some hospitals are taking to care for patients who can’t be discharged, including construction of a special facility to house these patients. The work group will continue to communicate with the Network on issues of common concern in post-acute care.

Contact WHA Vice President, Policy Development [Laura Rose](#) for information on the Post-Acute Care Work Group.

WHA and RWHC Partner to Offer WI Quality Residency Program

The quality staff at WHA and the Rural Wisconsin Health Cooperative (RWHC) have announced the next cohort of the [Wisconsin Quality Residency Program](#). First launched in 2014, the program is designed to engage new and novice hospital quality improvement leaders in a 12-month track of education, leadership training and networking – all critical for success in the first two years on the job.



The program includes in-person learning modules in foundational topics, including regulatory and accreditation requirements, quality improvement concepts, and using good data for analysis and decision-making. The modules are supplemented by coach calls, a dedicated email list service and access to veteran quality leaders for support.

While the intended participants are those in their first two years in a quality leadership role, there are also experienced leaders who may wish to attend a module or two for a topic “refresh.” The program will accommodate guests on a first-come, first-served registration process.

The re-launch of the Wisconsin Quality Residency Program comes at an opportune time. According to WHA data, there are more than 22 new hospital quality leaders in Wisconsin hospitals. Further, this is a valuable opportunity for succession planning or training new leaders for anticipated vacancies.

See the [program summary](#) for more information and to register.

Physician Leadership Development Conference, Kohler, WI - Register Today!

WHA is once again proud to be offering the Physician Leadership Development Conference in Kohler, WI on March 13 & 14, 2020. Check out this outstanding lineup:

- Dr. David Nash headlines Friday morning. Dr. Nash is an amazing speaker, and to some, the leading expert on the role of physician leaders in providing value-based care.
- Dr. Scott Rathgaber, Gundersen Health System CEO, will discuss his physician leadership journey from clinician to the CEO suite.
- Dr. Jay Bhatt, AHA CMO, and Elisa Arespachoga, vice president of the AHA’s Physician Alliance, will lead a session on physician burnout titled “Regular or Extra Crispy? Lessons from the Field in Addressing Burnout.”
- Bill Benjamin, a scientist at the Institute for Health and Human Potential, will discuss emotional intelligence.
- Marty Martin, Director of DePaul University’s Health Sector Management MBA Program, will discuss physician performance management.
- Eric Borgerding, WHA president & CEO, will give an advocacy update during Friday’s lunch focused on key issues impacting care delivery.



In response to attendee feedback, we have added additional speakers on Friday. Saturday morning will feature two educational tracks – one for developing physician leaders and another for senior physician leaders.

Please take a few moments to review the [conference brochure](#). [Register](#) and secure your hotel room today!

Rep. Deb Kolste: A Bipartisan Health Care Champion Retires

Representative Deb Kolste, ranking member of the Assembly Health Committee and 2016 WHA Advocate of the Year, announced her retirement from the state Legislature last week. Deb's personal experiences as a medical technologist, clinic manager and hospital volunteer, along with her husband's experience treating patients and training family physicians, made it easy for Deb to understand WHA's position on issues and naturally made her a strong partner for WHA.

"Representative Kolste is a well-respected member of the state Legislature and has been an unwavering partner for WHA to achieve sound public policy that protects high-quality health care in Wisconsin," said WHA Senior Vice President, Government Relations Kyle O'Brien. "Rarely, if ever, did Deb allow partisan lines to separate her from supporting good health care policy. She supported Republican and Democratic ideas, sometimes as the lone Democrat, because she knew that it was the right thing to do."

Kolste was a co-lead author of a package of rural health care legislation in 2017, including a bill to provide advanced practice clinician training grants for hospitals in rural communities. That bill was eventually incorporated into the 2017-2019 state budget and has already provided 18 rural hospitals throughout the state with training grants to expand provider capacity and improve care.

In addition, Kolste authored and/or sponsored legislation to create the state's inpatient psychiatric bed tracker, modernize Wisconsin's hospital discharge data program, provide funding to support hospital-based care coordination programs, expand graduate medical education, clarify Wisconsin law for providers to give patients prompt-pay discounts, enact the enhanced Nurse Licensure and Interstate Medical Licensure Compacts, and was a lead Democratic advocate for the Heroin, Opioid, Prevention and Education (HOPE) agenda. In 2013, Kolste was also one of eight members of the minority party to support critical legislation to protect Wisconsin's balanced medical liability environment by establishing a clear informed consent obligation for physicians in state law.

This strong support for hospitals resulted in Kolste receiving the distinguished WHA Health Care Advocate of the Year Award in front of a crowd of over 1,000 people at WHA's Annual Advocacy Day in 2016, presented to her by Kerry Swanson, now chief operations officer at SSM Health. Kolste's time advocating for hospitals started long before she stepped on that stage to receive her award.

"I'm so proud to be here, but mostly because I am part of you. I spent five decades working in and with hospitals," said Kolste during her acceptance speech.

"Being in the minority party in the Legislature, I've had great success and I'm very proud of that. Good health care policy should be bipartisan," she continued. "It's with the help of the Wisconsin Hospital Association that we've had such success this year. So, I want to thank the Wisconsin Hospital Association for all you've done."

Early in 2019, WHA approached Kolste, along with Republican State Rep. Amy Loudbeck (R-Clinton), to lead the Assembly version of significant Medicaid telehealth reform legislation in Wisconsin. As technology advanced, Wisconsin's existing statutes had become a barrier for health care providers who wanted to expand access to care through telehealth technology.

Deb was intimately involved in the negotiations on this legislation, serving as an important conduit between parties and sometimes having to push back against proposals that would derail the legislation. Only a few weeks after passing the Assembly with broad, bipartisan support, the legislation was signed into law by Governor Tony Evers.

Kolste's retirement from the state Legislature will occur at the end of this current term. Her warm smile, sound reasoning and intimate knowledge of health care will be greatly missed by the WHA government relations team and by her colleagues in the state capitol.



Rep. Deb Kolste (Right) receives the 2016 WHA Advocate of the Year Award from then SSM St. Mary's – Janesville Hospital President Kerry Swanson.

Sen. Luther Olsen: Long-Time Lawmaker, WHA Advocate of the Year Retires

A member of the Wisconsin State Legislature for over a quarter-century, state Senator Luther Olsen (R-Ripon) has decided to retire. Olsen, a 2011 WHA Advocate of the Year and champion for Wisconsin hospitals, has served on the state's powerful Joint Committee on Finance since 2005 and has served in the role of vice-chair since 2011. In fact, Olsen is one of the longest serving members in the Joint Finance Committee's history, dating back to 1911 when the Committee was first created.

"For many years, Luther has been a tremendous leader and advocate for Wisconsin health care, especially rural health care, and an unwavering ally of WHA," said WHA President and CEO Eric Borgerding. "We are losing one of the best of the best from the Legislature."

"Luther will be sorely missed, but we are very proud of what we accomplished together and privileged to have been his partner on so many issues over so many years," Borgerding said. "We wish Senator Olsen and his family all the best."

Olsen received the 2011 WHA Advocate of the Year award because of his commitment to rural hospitals, as he was instrumental in passing the 2010 Rural Healthcare Access Act. The legislation was a chief priority of WHA to avoid a 10% across-the-board cut to rural hospital reimbursement and create new state support for rural physician education through what became known as the Wisconsin Rural Physician Residency Assistance Program (WRPRAP) and Rural Physician Loan Assistance program. Since 2010, WRPRAP has supported the creation of eight rural residency programs and supported 14 existing rural residency programs.

Olsen sponsored or supported countless WHA priorities, including legislation reinstating Wisconsin's medical malpractice non-economic damages cap – a critical decision for the future of Wisconsin and the ability to retain and recruit more physicians to practice in Wisconsin. As recently as this week, WHA staff and WHA Board Chair-elect John Russell were meeting with Olsen in the state capitol about 2019 Senate Bill 763, legislation to clarify state law regarding prompt-pay discounts for patients who timely pay their health insurance cost-sharing obligations. As always, Olsen quickly translated how the legislation would directly benefit patients and their families and showed his support for the bill.

In the most recent state budget, Olsen was one of the strongest Senate proponents of funding for hospitals through the Medicaid Disproportionate Share Hospital (DSH) program. His leadership, along with a handful of other key lawmakers, resulted in a 73% increase in funding for the Medicaid DSH program and the largest total funding increase since the program's inception.

The connection Olsen had with hospital leaders in his district, along with his longtime service on the UW Hospitals and Clinics Authority Board, provided him with a personal comprehension of the funding, workforce and regulatory challenges that hospitals face and the ability to clearly see how legislation could positively or negatively impact hospitals and their patients.

This personal experience, along with his common-sense, bipartisan approach to policymaking, made him an advocate for hospitals in many more years than just 2011. The WHA team and our members are grateful for the strong and productive relationship we've had with Olsen during his decades of service to the people and patients of Wisconsin.



Governor's Task Force on Reducing Prescription Drug Costs Holds Third Meeting

Pharmacy Benefit Managers (PBMs) were again the focus of the Feb. 19 meeting of the Governor's Task Force on Reducing Prescription Drug Costs. The Task Force met on the campus of UW-Oshkosh, where PBM representatives were given an opportunity to tout their value within the pharmaceutical supply chain. Door County Medical Center CEO Brian Stephens serves on the task force.

Kris Hathaway, vice president of state affairs with America's Health Insurance Plans (AHIP), and Heather Cascone of the Pharmaceutical Care Management Association (PCMA – the national association representing America's pharmacy benefit managers), briefed the task force first. Both Hathaway and Cascone stressed the importance of focusing not just on PBMs, but on every participant in the drug supply chain, including pharmaceutical manufacturers, wholesalers, insurers, pharmacies, pharmacy services administration organizations (PSAOs – developed to help independent pharmacies interact with third party payers), health plan sponsors (usually employers) and insured health plan members.

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(Governor's Task Force on Reducing Prescription Drug Costs Holds Third Meeting . . . continued from page 8)

Hathaway provided examples of strategies that impede the efficient operation of the prescription drug market, such as gaming the drug patent system through orphan drug abuses (getting market exclusivity for drugs that aren't truly orphan drugs), pay for delay (agreements whereby a brand drug company simply pays a generic company not to launch a version of a drug), product hopping (where a drug manufacturer reformulates a brand drug to keep it off generic market), and dosing strategies (changing dosing schedule to keep a drug on patent). These strategies keep low-cost generic drugs from entering the market by extending the life span of a patent.

Both Hathaway and Cascone offered their opinions on ineffective strategies to lower prescription drug costs:

- Point-of-sale rebates: These rebates will not have a significant impact on overall costs, because only 2.4% of brand drugs are rebated. Rebates are offered only when there is head-to-head competition between drug manufacturers.
- Copay coupons: Coupons are offered only for expensive brand-name drugs and may not be used in Medicare or Medicaid programs. While helping individual patients, coupons may encourage patients to use costly brand medications instead of using cheaper generics, resulting in overall increased drug spend.
- Capping copays: Again, this strategy brings relief to the individual patient but may result in higher overall premiums.
- Rebate transparency issues: Tacit collusion may occur when rebate transparency is required. Rebate information should be protected so it is not attributable to a specific PBM or manufacturer.

Hathaway and Cascone offered suggestions for effective prescription drug cost control strategies, including eliminating patent abuses outlined above, eliminating gag clauses and claw backs, requiring manufacturers to provide advance notice of drug cost increases and ensuring that drug representatives disclose drug prices when marketing to physicians. Also promoted were evidence-based reviews to evaluate the appropriateness, medical necessity, and efficiency of health care services rendered to patients. Other cost-saving measures could include use of formularies and provider-tiered network design, prior and concurrent authorization, and e-prescribing and e-prior authorization for physicians.



The Feb. 19 meeting of the Governor's Task Force on Reducing Prescription Drug Costs

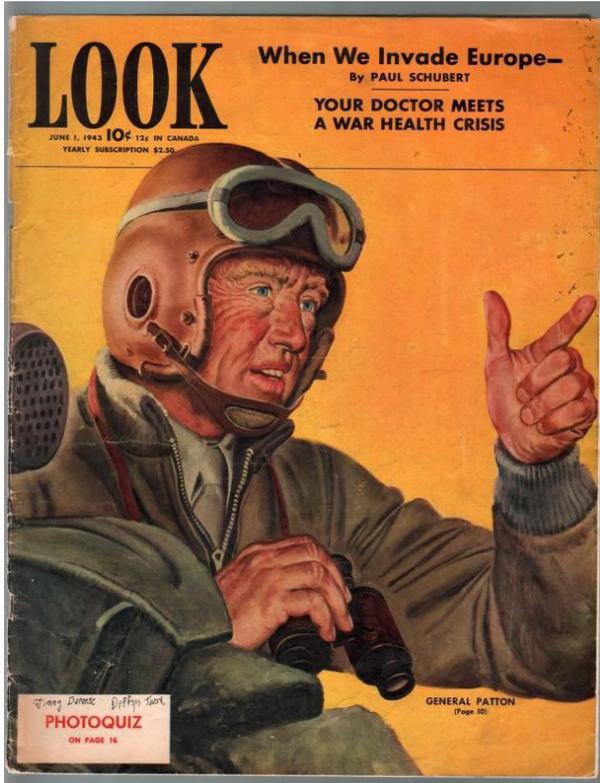
Don Nelson, vice president, government relations for MagellanRx's Midwest Region, a PBM for the Medicaid program in 18 states, reviewed Magellan's 2019 Medicaid Pharmacy Trend Report. The 2019 data show a trend of an overall decline in the net cost-per-pharmacy claim. Underlying this story is a high specialty pharmacy cost trend which is balanced out by the traditional pharmacy cost trend. Medicaid programs struggle to pay for these high-cost drugs even after accounting for federal and supplemental rebates.

Paul Meyer, chief operating officer of The Alliance, brought with him three members of The Alliance who described how their businesses have been able to restrain health care and prescription drug costs. The Alliance, founded in 1990, facilitates group purchasing of health care contracts with providers. Member businesses self-fund their health plans. Alliance members include 250 employers whose health plans cover 100,000 employees and their dependents in the states of Wisconsin, Illinois, Iowa and Michigan.

Meyer identified four core drivers of high-value health care for members of The Alliance:

- Comprehensive prescription drug data transparency.
- Payment reform, by rewarding quality of service over volume.
- Provider network design.
- Benefit plan design. Prescription drug benefits are an important part of benefit design.

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War Time

Hospitalization plans were enacted as the Great Depression was ending and World War II took center stage in American life and policy. WHA participated heavily in recruiting and training medical professionals of all stripes for the armed services. WHA newsletters from the time show that doctors, nurses, and hospital administrators were all concerned with wartime efforts: educating field medics and physicians, staffing hospitals while many professionals were serving in the military, publishing news of hospital units stationed abroad, and coping with medication and material shortages.



Third in a New Look Series: Fighters on the Home Front (published in LOOK, June 1, 1943)
YOUR DOCTOR MEETS A WAR HEALTH CRISIS
While Younger physicians to go war, "Doc" is guarding the civilian front

"Doggone it!" says Harry A. Keenan, M.D. "I've often made calls when I felt a lot sicker than my

patients." At 66, diabetic and asthmatic, "Doc" sees 50 to 60 patients a day, serves an area of 150 square miles around Stoughton, Wis. At his office, he feels the strain every afternoon about 4, interrupts his work for a cup of tea. On country calls, he has had to stop his car ("I couldn't breathe") and give himself a shot of adrenalin to ease an asthma attack. He averages five hours of sleep a night, hasn't had a free weekend or time for a movie in nine months.

With bouncing vitality, this jovial little doctor – who looks like America's family physician – carries on selflessly at home while over 45,000 of his colleagues (53,000 by the end of 1943) serve the armed forces. Before Pearl Harbor, the Stoughton area (pop. 15,000) had five doctors. When one joined the Army, another the Marines, Dr. Keenan took over much of their practice. "If anything should happen to me, he worries," the other two doctors remaining in town couldn't handle the added burden."

Throughout the nation, 10,000 communities like Stoughton must also "make do" with less medical care. In many sections, the shortage has become critical. But with the American people lending a hand, our supply of doctors more evenly distributed, and men like Dr. Keenan unswervingly devoted to their calling, we can hold our own for the duration.

Click [here](#) to see more of the LOOK article on Dr. Keenan.

1939 One active, full-time doctor for 1,022 civilians.

1943 By year's end: one doctor for 1,500 civilians.

HOW YOU CAN SPARE YOUR DOCTOR

1. Avoid summoning him needlessly; visit him instead.
2. Take the Red Cross course in home nursing or first aid.
3. Eat wisely, obtain plenty of sleep, recreation, fresh air.
4. Get immunized, if possible, against contagious diseases.
5. Unless imperative, don't move to an overcrowded area.

(Governor’s Task Force on Reducing Prescription Drug Costs Holds Third Meeting . . . continued from page 9)

Meyer urged the task force not to villainize PBMs. While acknowledging that there are flaws in the PBM process, they can also bring tremendous value. The Alliance works with National Cooperative Rx, which provides pharmacy benefits to self-funded member-owned groups throughout the United States and works with a PBM to manage these benefits.

Josh Bindl, CEO of National Cooperative Rx, said their employer members pay 90% of the pharmacy benefit and employees pay 10%. The major fears facing employees right now is what is on the horizon with high-priced specialty drugs, gene therapy and other innovations spiking cost increases. Bindl identified some issues that could be examined by government, including “pop-up” pharmacies that cold-call individuals and get them to switch pharmacies. These pop-ups prey on older patients, and the Cooperative has locked out more than 700 of these pop-ups.

Three Alliance employer members described their tactics for keeping health care costs, including prescription drug costs, in line. Advanced Laser in Chippewa Falls; Seats, Inc. of Reedsburg; and Brakebush of Westfield all operate on-site health clinics for their employees and their family members. They work with National Cooperative Rx to get the best prices for drugs dispensed at the clinics and otherwise under their health plans.

The task force concluded with a brief discussion of a policy paper compiled by Wisconsin Officer of the Commissioner of Insurance staff focusing on PBM policy. Many of the items in the paper are addressed in legislation that may be taken up by the State Senate in March, including PBM transparency requirements, prohibitions on gag clauses and claw backs, and auditing of PBM claims practices. The insurance commissioner emphasized in the paper that while PBMs have been the recent focus of the task force, other parts of the prescription drug supply chain will be studied in future meetings.

The next meeting of the Governor’s Task Force on Reducing Prescription Drug Costs will be March 18 in Wausau.

(WHA Continues to Ready for COVID-19 Possibilities . . . continued from page 1)

information. Stay tuned to future WHA communications for details on how to sign up once that service is launched.

This new CDC assessment has brought a heightened awareness not just to prevention efforts, like obtaining a timely and accurate travel and exposure history, but a new and intense focus on preparedness. WHA remains in contact with Wisconsin’s DHS and WHA members about coronavirus and is aware of concerns arising about personal protective equipment (PPE) supply shortages – in particular N95 respirator masks and procedural masks. WHA is currently surveying members to gauge the severity of the concern and will share this information with DHS and others.

The FDA, CDC and DHS are aware of the challenges hospitals and health systems face and are offering guidance for health care providers. DHS and CDC provide a multitude of resources at the [DHS Outbreaks](#) webpage and in the [CDC Weekly Report](#). The WisconsinEye media service also recently released an informational [Flu and Coronavirus in Wisconsin](#) interview with two DHS medical professionals: Tom Haupt, respiratory disease epidemiologist and DHS CMO Ryan Westergaard, M.D., Ph.D., M.P.H.

Resources specific to PPE can be found at:

- <https://www.cdc.gov/coronavirus/2019-ncov/hcp/healthcare-supply-ppe.html>
- <https://www.cdc.gov/coronavirus/2019-ncov/hcp/respirator-supply-strategies.html>
- <https://www.cdc.gov/coronavirus/2019-ncov/hcp/respirator-use-faq.html>

Wisconsin hospitals and health systems stand ready to protect our patients, our workforce and our communities, and WHA is committed to working with our members and public health leaders to support their efforts.

WHA will remain in close contact with DHS and provide updates when new or important information becomes available. Contact WHA Vice President of Workforce and Clinical Practice [Ann Zenk](#) if you have questions, suggestions or feedback.

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