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Hospital and Health System CEOs Discuss Challenges and Innovations Shaping Wisconsin's Health Care System

On Dec. 10, Wisconsin Health News (WHN) hosted a panel discussion in Madison featuring four Wisconsin hospital and health system CEOs: Imran Andrabi, MD, CEO of Froedtert ThedaCare; Daniel Jackson, CEO of Ascension Wisconsin; Sue Anderson, Regional President of SSM Health Wisconsin; and Mike Schafer, CEO of Spooner Health. Moderated by WHN Editor Tim Stumm, the panel explored critical issues facing Wisconsin hospitals, including workforce shortages, financial pressures, access to care, and the potential of technology to address these challenges.



L to R: Eric Borgerding, Daniel Jackson, Sue Anderson, Imran Andrabi, Mike Schafer

WHA President and CEO Eric Borgerding introduced the panel and applauded the work of Wisconsin's hospitals and their leaders. "Looking back on my 26 total years at WHA, consistently, one of the greatest assets we've had, second only to our incredible health care workforce, are the tremendous health care leaders that come to, and are drawn to, Wisconsin," Borgerding said. "The quality of care, the access to care, the dedicated doctors, nurses, and many others here bring the best of the best to our state. And that very much includes the four leaders here today."

Stumm kicked off the program asking the panelists to share the top issues facing hospitals today. Workforce shortages emerged as a top concern among the panelists. Andrabi highlighted the widespread shortage of health care professionals across categories. "There are a lot of challenges and a lot of opportunities as well," he noted. "Workforce issues span a tremendous number of categories of workforce, not just doctors and nurses."

Anderson emphasized the importance of building a talent pipeline through early engagement and education. "We need to develop pipelines. We're working more closely with colleges, technical schools and youth programs. We have a program for 8th graders to allow them to come in, shadow and experience health care as a potential career."

Schafer spoke about the unique challenges facing rural hospitals. "As a small critical access hospital, if we lose a CRNA, we've lost 50% of our CRNA workforce. It really effects our ability to provide care."

Rising costs in labor and supplies continue to place financial pressure on Wisconsin hospitals. Andrabi pointed out that nearly 33% of hospitals in the state are operating with negative margins. "You know, almost 50% of health systems in this country are below a 0% operating margin... it is very real," he said.

Jackson underscored the difficulty of balancing quality care with limited resources. "We are asked to deliver high-quality care with fewer resources, and it's becoming more difficult to sustain this."

Schafer criticized inefficiencies in the system, noting, "44% of health care dollars never get to a provider. That's the middleman, the pharmacy benefits managers, the insurance companies that are giving us these denials. What they're doing is they're not just costing the system money; they're keeping people from getting care and we have to get some of that waste out of our system so we can do our jobs better."

Low reimbursement rates from government payers and administrative burden from commercial insurance practices further exacerbate financial pressures. Andrabi explained, "Every time you turn around, somebody is going to pay us less for the work that we do... you don't cover your cost."

Schafer emphasized the gap in reimbursement, particularly for rural hospitals: "We are reimbursed at much lower rates for the same services, and it's becoming harder to cover the costs of care."

The closure of two hospitals in the Chippewa Valley was also discussed, with Schafer noting the direct effect it has on access to care for patients in rural areas of the region. "When we're looking to move a patient to an acute care hospital, we're now seeing that patient stay in our emergency room for hours, if not days."

Anderson emphasized that scarce resources require innovation. The panel agreed that telehealth, an essential tool for improving access, particularly in underserved areas, is one of the ways Wisconsin hospitals can provide innovative care.

The panel also discussed the potential of technology to address other current challenges. Andrabi shared how AI is being used to improve outcomes. "For example, we partnered with a company that is using AI... we've been able to reduce our falls with harm to 0," he said. He emphasized the importance of continued investment in technology and analytics. "It makes all of our work very challenging, but it also pushes us to get super innovative about solutions because we can't keep going back to the old ways that used to work."

Policy Solutions for Health Care

The panelists agreed that policymakers must take action to support hospitals, including increasing Medicaid reimbursement rates and addressing the financial impact of rising costs. Jackson suggested that policymakers work to reduce the red tape associated with licensing and administrative processes.

Schafer also called for a reduction in unnecessary regulations, citing the burden of compliance with transparency rules that have significant costs for hospitals without clear benefits. "We need to focus on reducing administrative burdens so we can focus on patient care," he said.

As the program concluded, Stumm asked the panelists to share their thoughts on long-term trends in health care. Andrabi predicted that hospitals will pivot to more innovative models of care delivery, utilizing technology like AI and telehealth to streamline operations and provide care more efficiently. "We need to focus on the long-term sustainability of health care by embracing innovation," he said.

Anderson emphasized that health care delivery will continue to shift toward more specialized services, with an increasing focus on ambulatory care and care delivered at home. "Hospitals will become more specialized, and more care will move outside of traditional hospital settings," she said.

Schafer took a different direction, highlighting the role of private equity in reshaping the health care landscape. "We need to keep an eye on how for-profit systems and private equity are influencing health care, especially in rural areas," he said, warning that these entities could threaten the safety-net by taking margin-generating services out of nonprofit hospitals.

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