

WHA Board Discusses Current, Future Challenges at Annual Board Retreat

National health care experts, Wisconsin insurance regulators present to board

The WHA board of directors held its annual planning retreat Aug. 9-10, one year after updating its three-year strategic plan at its [2022 retreat](#). WHA Board Chair David Hartberg, CEO of Vernon Memorial Healthcare, opened the two-day session by welcoming board members and outlining the program agenda and purpose.



WHA Board of Directors and senior staff during the first day of meetings at the Board's annual retreat in Arbor Vitae Aug. 9-10.

"Last year at this gathering we dove deep into examining and affirming the role and purpose of WHA via our three-year strategic plan," Hartberg said in his opening remarks. "This year we will build on that great work, which is serving us quite well, by hearing from external experts who can help us better understand the rapidly changing dynamics in health care and align our agenda and priorities as an association."

WHA President and CEO Eric Borgerding set the stage by presenting his assessment of how WHA is currently fulfilling its mission of "Advocating for the ability of our members to lead in providing high quality, affordable, and accessible health care services, resulting in healthier communities."

"WHA is not only blessed with a highly engaged and committed board of directors and membership, we also have an exceptional team in Madison, one of the absolute best at what they do," Borgerding said. "It is a team built for advocacy in the most complete and thorough sense of that role, that brings multiple experiences and skillsets to the table to execute our



intentionally broad definition of advocacy, our approach to which remains more relevant than ever, and so well conveyed in our mission.” *WHA President and CEO Eric Borgerding*

Senior Vice President at Kaufman Hall Lisa Goldstein and Managing Editor of The Keckley Report” Paul Keckley then presented to the group of leaders. The two discussed the tremendous challenges that face hospitals today and how economic and market forces will impact hospitals in the future.

Goldstein, a former associate managing director at Moody’s Investor Services overseeing credit ratings for 340 not-for-profit hospitals, said hospitals will continue to face a very difficult financial environment in the years ahead with labor availability and cost as driving factors.

“Through June 2023, we are through almost the same amount of [credit] downgrades as we saw in all of 2022,” said Goldstein of not-for-profit hospital credit ratings. She highlighted something that has rarely been seen before—the bankruptcy of a once A-rated 200-bed hospital in Iowa (Mercy Iowa City).



Gundersen Tri-County Hospital and Clinics CEO Joni Olson reports on a workgroup’s conversation during the annual WHA Board retreat.

Goldstein said that cash flow challenges, which are increasingly caused by both commercial insurance plans and Medicare Advantage plans’ delay payment to hospitals, are creating liquidity concerns for hospitals that credit analysts are watching. “Liquidity is paramount to long-term sustainability,” said Goldstein.

Goldstein also said the health care market disruptors are largely staying out of inpatient and hospital outpatient care, for now, and instead private equity and large, for-profit companies are investing heavily in primary care, other ambulatory, retail and home/virtual spaces within the care continuum.

In his comments, Keckley elaborated on this topic, saying that disruptors have not really disrupted health care—they have fragmented it and made it more expensive.

Keckley further discussed how not-for-profit hospitals and health systems can be “paralyzed with the urgency of now,” due to the everyday challenges that hospitals face in delivering care but also responding to the many communities’ needs that exist. Keckley said hospitals are disadvantaged by their very nature in our current economy as they are a labor-intense and capital-intense industry.

But Keckley also laid out some policy, political and industry changes that could occur in the future. For example, Keckley believes that the models for workforce needs may change based on the use of technology.

Keckley also said that most businesses and employers know very little about health care. He said that everything they know comes from their own third-party administrators and benefits consultants. Keckley encouraged health care providers to further develop relationships with businesses directly so that they can understand what hospitals are to their communities and the multitude of challenges hospitals are trying to solve.

Wisconsin Office of the Commissioner of Insurance Discusses Payment Delays, Complaints

As more and more studies are pointing to administrative burden, care delays, and payment denials for both patients and providers, the Wisconsin Commissioner of Insurance Nathan Houdek and Deputy Commissioner Rachel Cissne-Carabell participated in a robust discussion of the agency’s role in regulating insurance companies across the state.

Houdek and Cissne-Carabell provided an overview of the various organizations involved in health insurance regulation, including the federal Center for Consumer Information and Insurance Oversight, the federal Department of Labor, the state Department of Health Services and the state's Office of the Commissioner of Insurance (OCI), each having responsibility for different markets, yet each often regulating the same insurance companies.

A growing area of regulation, they said, is improper marketing of health plans, including when a company markets certain benefits that may not exist. Another area of interest for OCI is network adequacy. The state received a federal grant and has contracted with a third-party organization to analyze how insurers are meeting network adequacy requirements. A report on the topic is expected this fall.



WHA Senior Vice President of Public Policy Joanne Alig introduces members of the leadership team from the Wisconsin Office of Commissioner of Insurance.

WHA Board members expressed an interest in better understanding OCI's role and authority when it comes to various issues where the provider is engaging directly with insurers. For example, when insurers use proprietary "black box" datasets to judge the quality of individual clinicians, and when that conflicts with other publicly available data, patients and providers can be disadvantaged. OCI indicated that creating standard quality metrics has not been in their purview.

Overall, in response to provider concerns about administrative burdens and care delays associated with onerous prior authorization policies, and the growing number of payment delays and denials, OCI indicated their primary mechanism for learning about and investigating concerns is through the grievance process. The top driver for complaints in the group and individual market, they said, is claim denial.

Houdek acknowledged that while it is a great system for resolving specific individual situations between the insurer and the insured, there are limitations on OCI's authority when it comes to broader issues that directly impact health care providers. However, he added, "we do understand that a claim not being paid does impact the relationship between the insurer and the patient."

WHA board members and staff were appreciative of the informative and engaging dialogue with the commissioner and deputy-commissioner, and said it was very helpful to better understand their regulatory scope and authority.

WHA Board and Governance Structure

The final day of the retreat included a review of the annual board survey and the WHA governance structure. One of the many takeaways from the survey noted by both Hartberg and Borgerding was the across-the-board high marks from board members in 2023 and a trend that has been sustained for the past several years. Both were especially pleased with the level of pride and satisfaction in being on the WHA board conveyed through the survey responses, as well as acknowledging the steady leadership and effectiveness of the board despite a recent high level of turnover.

Borgerding concluded the retreat by leading a discussion of the WHA governance process and board structure. He noted the thorough effort undertaken to fill openings on the WHA board and how it has worked extremely well to consistently yield a board of directors that very closely reflects the composition of the WHA membership. He also discussed the many ways WHA engages directly with members and encourages them to participate in WHA's public policy and advocacy work.

"We take the concept of board succession planning very seriously and I think it has served our members extremely well," Borgerding said. "The WHA board is consistently comprised of some of Wisconsin's best hospital and health system leaders who not only provide input and guidance that is so critical to what we do, but they genuinely want to be a part of all this. They want to be at the table, participate in our work and make a difference. We are immensely grateful to them for giving that time and input."

Other Articles in this Issue

- [On the Heels of Updated CMS Star Ratings, WHA Releases 2023 Health Care Quality Report](#)
- [WHA Board Discusses Current, Future Challenges at Annual Board Retreat](#)
- [WHA Invites Community Benefit Stories for 2023 Report; Due Sept. 8](#)
- [GUEST COLUMN: Health Insurance Barriers Delay, Disrupt and Deny Patient Care](#)
- [GUEST COLUMN: How Did COVID-19 Claims Affect Workers' Compensation Rates?](#)
- [WHA 2023 Nominating and Awards Committee Seeking Nominations](#)