



August 29, 2007

Workers Compensation Advisory Council  
C/O Frances Huntley Cooper, Administrator  
Worker's Compensation Division  
Wisconsin Department of Workforce Development  
201 East Washington Avenue  
PO Box 7946  
Madison, WI 53707

Re: Workers Compensation Proposed Fee Changes

Members of the Workers Compensation Advisory Council:

As significant providers of health care services to the Wisconsin Workers Compensation Program, we are very concerned about proposals that the "Management" side of the Workers Compensation Advisory Council (WCAC) table has been making as part of the Council's biennial bill process. Specifically, we understand that Management has continued to pursue cuts in medical fee payments for services provided to injured workers, despite the fact that there has been no demonstrated need for those cuts.

Wisconsin's Workers Compensation Program provides the best value in the country to employers and injured workers: the best access to medical care and among the best outcomes – both attained at reasonable medical costs. The Workers Compensation Research Institute, which studies workers compensation programs across the country said in a recent study of nine States that: "Most outcomes reported by workers in Wisconsin were the best or among the best from the nine states studied – particularly return to work, access to care, and satisfaction with care." The report went on to say that: "Medical costs and the utilization of medical care provided were among the lowest of the nine states studied."

Management has pointed at the increase in medical costs as an area that needs to be constrained. The "medical liaisons" have more than adequately addressed this issue by offering up a substantial concession that current fees be frozen, and future fee increases be tied to the Medical CPI. Unfortunately, this significant offer has been met by continued calls from management for drastic cuts in payment. We feel that, given the value already received by management in Workers Compensation service to employees combined with the generous proposal put forth by medical providers, any further reductions in payment is inappropriate and totally unacceptable.

We understand the nature of the issues the WCAC is wrestling with, and we are sympathetic to the desire of Labor to enhance and update the permanent disability benefit for injured workers. We also respect the consensus-based process that WCAC has historically used in presenting "agreed-to" language to the Wisconsin Legislature. But we cannot accept language that would result in damaging and counterproductive cuts in provider payments.

We appreciate the opportunity to present our perspective on these difficult issues, and are hopeful that a mutually agreeable conclusion can be reached.

Sincerely,



John Oliverio, President/CEO  
Elmbrook Memorial Hospital, Brookfield  
St Francis Hospital, Milwaukee  
St. Joseph Regional Medical Center, Milwaukee

*Randall Linton*

Randall Linton, MD, President & CEO  
Luther Hospital, Eau Claire



Nick Turkal, President & CEO  
BayCare Aurora LLC d/b/a Aurora BayCare  
Medical Center, Green Bay  
St Luke's Medical Center, Milwaukee  
West Allis Memorial Hospital, West Allis

*Tom Swiderski*

Tom Swiderski, Director of Financial Services/CFO  
Orthopaedic Hospital of Wisconsin, Glendale



Tom Bayer, Administrator  
St. Vincent Hospital, Green Bay

*Rich*

Rich Gruber, Government/Community Relations  
Mercy Health Systems Corporation, Janesville



Jeff Thompson, MD, Chief Executive Officer  
Gundersen Lutheran Medical Center Inc.



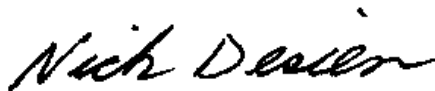
Donna Sollenberger, President & CEO  
University of WI Hospital & Clinics Authority



Jeff Grossman  
University of WI Medical Foundation



Douglas Reding, MD  
Marshfield Clinic



Nicholas Desien  
Saint Joseph's Hospital, Marshfield  
Saint Michael's Hospital, Stevens Point



Bill Petasnick, President & CEO  
Froedtert Memorial Lutheran Hospital, Milwaukee



Tim Size  
Rural Wisconsin Health Cooperative



Leo Brideau, President/CEO  
St Mary's Hospital, Milwaukee



Ford Titus, President & CEO  
Waukesha Memorial Hospital, Inc.



Ken Buser, President & CEO  
All Saints Healthcare, Racine



T. Michael Bolger, J.D., President and CEO  
Medical College of Wisconsin



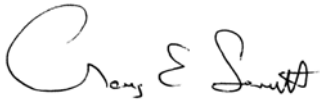
Duane Erwin, FACHE, President/CEO  
Aspirus Wausau Hospital



James Woodward, President/CEO  
Meriter Hospital, Madison



George Kerwin, President & CEO  
Bellin Health, Green Bay



Craig Samitt, MD, President and Chief Executive  
Dean Health System, Madison