

Local hospital officials: Health care reform deal doesn't go far enough

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Local hospital officials don't know if a deal struck Monday between hospitals and the Obama administration will help or harm them.

Hospital associations are on the verge of accepting a deal to reduce their anticipated Medicare and Medicaid payments by about \$155 billion over a decade. The government then could use the money to help provide health coverage to 47 million Americans without health insurance.

A formal White House announcement was possible as early as today, with Vice President Joe Biden standing in for the traveling president.

Dr. Jeff Thompson, Gundersen Lutheran CEO, said the agree-



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ment is a broad sweep to save money but not to bring about true health care reform.

"The disappointing part is, as opposed to reforming how health care is paid for and delivered, this is just about paying to insure Americans," he said.

"We will have more people with government insurance, so they probably will get more care," Thompson said. "But everything is based on the current (government) reimbursement rates, so we won't be reimbursed adequately

to take care of those patients.

"Here was an opportunity for the hospital association to say, 'Let's change the model and pay for value,' but we're just going to change the price of doing many things," he said.

Thompson said the deal sounds bad for La Crosse area businesses who pay for employee insurance. "And we're likely to get less money compared to other parts of the country," he said.

Dr. Robert Nesse, Franciscan Skemp Healthcare president and CEO, said the hope is hospitals will have to provide



Nesse

less charity care with more people on an insurance plan. But he said he, too, is concerned about inadequate Medicare and Medicaid reimbursement.

"I have no idea if we will fare well," Nesse said.

Medicare and Medicaid annual payments now are \$49 million less than Franciscan Skemp's costs to deliver care, he said.

"We can't change the financing of the health care system without reforming the entire delivery system," Nesse said. "Just changing the financing won't solve the problem."

Hospitals want to break even on costs so they don't have to shift the expense to those with insurance, Nesse said, "but that requires a new innovative health care system, with a new payment model from the government to pay for value."