

Your opinion

Legislature needs to pass hospital tax

If you learned about a “no strings attached” investment opportunity that required you to invest \$1, with an immediate return of \$2.50, would you even think twice about passing it up?

Believe it or not, that’s what the state of Wisconsin did when lawmakers approved the new state budget last week. The Legislature took a pass on an incredible opportunity to address the underfunding of Medicaid by adopting the provider assessment.

The provider assessment is a tried and true funding mechanism that allows many other states to collect a payment from hospitals, send that revenue to the federal government, and secure matching funds that are returned to the hospitals in the form of increased Medicaid payments.



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this issue unaddressed.

The assessment would have brought more than \$400 million of new money into the state. Wisconsin deserves this money. We rank close to the bottom of the 50 states for the federal dollars we get to treat Medicaid patients, and this plan would have changed that.

Hospitals have seen no increase in Medicaid reimbursement in 12 years, and during that time, our operating costs have risen dramatically. Statewide, Medicaid reimbursement covers only 48 percent of the actual costs of providing care. It is unacceptable to leave

Last year, Wheaton Franciscan Healthcare was reimbursed \$79 million less than what it cost to provide care to the Medicaid patients we treated.

That shortfall was inevitably cost-shifted to commercial payers, which results in higher health care costs for employers. If we had received improved funding, it would have had an impact on our price structure.

It’s not too late. Lawmakers need to reconsider this issue by introducing and passing separate legislation to enact the provider assessment now. Let’s all do the right thing this time and bring needed federal funds to our state.

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