

Introduction

This past year, the Wisconsin Hospital Association achieved tangible results and set in motion a number of groundbreaking initiatives. The WHA membership continues to unify and strengthen even as new legislative and environmental pressures, largely relating to health care costs and a difficult state budget, present historic challenges. WHA is a strong voice for the preservation and advancement of community-based health care, enabling our members to meet their missions of providing affordable, accessible and high quality health care in urban and rural Wisconsin.

Advocacy

WHA unveiled a new Web site in 2003 with a strong emphasis on advocacy. A key feature of the new site is a “Speak Up” section that facilitates contact with legislators.

Grassroots activity among WHA members reached unprecedented levels:

- ◆ More than 50 WHA member hospitals hosted legislative visits from both state and federal elected officials.
- ◆ Hospital employees responded to more than 15 action alerts.
- ◆ Members turned out in force to testify at hearings and meet with their elected representatives in Madison and Washington, DC.



Governor Doyle

Medicaid providers braced for the worst as Wisconsin's state budget fell into financial crisis. In spite of a dire budget situation, **Governor Doyle** voiced his strong support to “protect Wisconsin's priorities” including the Medicaid program.

WHA held a news conference in the State Capitol to save Graduate Medical Education from the budget axe. Physician leaders, representatives of the medical schools, and hospitals joined together to protect GME and ensure that Wisconsin continues to attract and retain physicians.



Carl Getto, MD; Jeff Stearns, MD; William Petasnick; Steve Brenton; Jason Nowak, MD; Kevin O'Connell, MD

WHA protected key funding for hospitals in the state budget, despite a \$3.2 billion deficit, while securing a bold new privatization initiative. Key features of the budget include:

- ◆ Defeat of a proposal to eliminate funding for the Rural Hospital Supplement;
- ◆ Restoration of partial funding to the Graduate Medical Education Program, which was originally targeted for elimination in the state budget;
- ◆ Increase in federal funding for the General Assistance Medical Program (GAMP);
- ◆ Creation and funding of the Wisconsin Technical College System Health Care training Grant Program, which will expand course capacity and access to health care education; and,
- ◆ Privatization of the hospital data collection functions of the Bureau of Health Information, saving hospitals \$1 million annually in assessments and making health care information more responsive to consumers.

For a second year in a row, **Healthy Wisconsin exceeded its goal by nearly 20%**. The number of hospitals and the number of individuals participating in Healthy Wisconsin both increased in 2003.

Governor Jim Doyle addressed the largest Advocacy Day audience ever. The Partners of WHA were named the 2003 Advocacy All-Stars for their support and promotion of legislative participation among volunteers and auxiliaries.



WHA led three delegations to Washington, DC, meeting with members of the Wisconsin Congressional Delegation. Pictured: Mickey Barricklow, Mary Starmann-Harrison, Jerry Worrick, Lisa Mulrone, Laurie Kuiper, Jim Hemes, Julie Swiderski, Maureen McNally, Eric Borgerding

WHA facilitated three successful member advocacy missions to Washington, DC. In September, the WHA Public Policy Council convened in Washington and encouraged the Wisconsin Congressional Delegation to continue to support important Medicare payment equity and adequacy issues.

WHA led a coalition of providers, employers and insurers to develop a proactive package of health reforms to be announced in early 2004.

WHA led a legislative effort to streamline state medical records laws, make regulations consistent with federal HIPAA laws, and reduce health care red tape.

WHA joined the Wisconsin Ethics Board's "Top Ten" list for lobbying effort in the State Legislature.

Bellin Hospital, Green Bay, hosted a news conference with Sen. Russ Feingold and Sen. Susan Collins to further emphasize the Medicare equity issue.

The **WHA HFS 124 Task Force completed its work** considering possible amendments to HFS 124. The WHA Board will consider their recommendations in December.

WHA debunked assertions that Wisconsin hospital profits are too high - **WHA releases the FACTS:**

- ◆ Half of the total margin is from interest and activities not related to patient care.
- ◆ The patient care margin is 4.7%, the national average.
- ◆ "Profits" support other unprofitable community health services.

Over 30 hospitals purchased the Medicare Revenue Forecaster, a tool that hospitals can use in developing their Medicare budget.

WHA published an analysis of Wisconsin's health care environment: "Where are we now and where are we going?" It revealed the root causes of health care cost increases and poses various questions about the future direction of the health care environment.



Ann Lucas, WHA; Sen. Susan Collins (R-Maine); George Kerwin, President, Bellin Health; Sen. Russ Feingold

Medicare

Congress passed landmark legislation that will improve hospital and physician payments over the next ten years. **WHA estimates that the statewide impact of higher payments will surpass \$207 million over the next decade.** An additional \$200 million will be forthcoming due to averted cuts in scheduled hospital market basket inflation increases. Additionally, Critical Access Hospital (CAH) enhancements by way of eligibility liberalization and payment improvements are difficult to estimate but are substantial for specific community hospitals.

Six hospitals are granted **Critical Access Hospital** status in 2003, bringing the total number of CAHs in Wisconsin to 31, with 13 more in the application process.

Quality Initiative



WHA introduced “**CheckPointSM: Wisconsin Hospitals Accountable for Quality.**” Wisconsin hospitals responded enthusiastically, with **107 hospitals enrolled** to date. These hospitals represent **96%** of inpatient admissions. The first public release of quality and safety measures is anticipated in Spring 2004.

Wisconsin Quality Steering Committee was formed to guide WHA’s quality initiatives. Membership is composed of 40% purchasers, 40% hospital administration and clinical staff and 20% represent consumers, public policy organizations, and the Wisconsin Medical Society.

WHA is perhaps the first hospital association in the nation to collect, and soon publish, national patient safety goals, starting with **five safety measures that will be included in the public release of data in 2004.**

A Measures Team, chaired by Pat Schroeder, Covenant Healthcare, Milwaukee was formed to advise the Steering Committee on measures that should be included in the WHA quality initiatives. Terri Potter, Meriter Hospital, Madison, chairs the **Communications and Education Team**, charged with ensuring that the data shared with the public is accessible, understandable and valuable.

Workforce

WHA joined the Wisconsin Student Nurse Association at a **State Capitol news conference to kick-off the “Touched by a Nurse”** program. The program is designed to attract students to a career in nursing.

WHA was an active member of Speaker Gard’s Task Force on the Wisconsin Technical College System. That Task Force was a stimulus, along with WHA, in the important **standardization of nursing admission criteria** and curricula across all schools of nursing in the Wisconsin Technical System. That new standardization will also result in easier articulation into the UW system for nurses wishing to pursue Baccalaureate degrees.



Student Nurses joined WHA at a news conference in Madison to promote nursing careers.

Will Wisconsin have enough physicians to meet future demand? The newly created **Task Force on Wisconsin’s Future Physician Workforce** will address that question and many others associated with physician supply and distribution issues. A report on the issue is expected early in 2004. The Task Force is chaired by Milwaukee-based Columbia St. Mary’s CEO Leo Brideau.



From left: Leo Brideau, Columbia St. Mary’s, Inc.; George Quinn, WHA; Bobbe Teigen, Sauk Prairie Memorial Hospital; John Frey, MD, UW-Madison; and Robert Phillips, MD, Marshfield Clinic

WHA established a new **Council on Workforce Development** devoted solely to addressing issues associated with all aspects of the health care workforce shortage.

The **WHA Employee Pride Program** honored nearly **60 hospital employees**. Employees wrote an essay on what their career in health care meant to them and why they would recommend it to others. More than 150 people attended the banquet in honor of these employees, and winning essays were shared with key legislative leaders and committees.

WHA Membership Survey

WHA members had the opportunity to tell the WHA Board and Association staff their opinions about the Association's performance, as well as describe their current and future expectations of WHA. Members were independently surveyed by SatisfactionWorks, a Sacramento, California-based firm that conducted a similar Wisconsin survey in 1996 and more than 30 benchmark surveys for hospital associations nationwide.

Significantly, WHA finished in the top tier of hospital associations in the nation in a variety of categories, including: *Understanding the Needs of its Members, Responsiveness to Member Issues and Priorities, and Effectiveness in Assisting Members with those Issues and Priorities.* And WHA's overall performance score of 96% (Excellent/Good) ranks sixth in the nation and represents a 15% improvement from the 1996 survey.

As a trade association with a revenue stream largely driven by member dues and programming success or failure determined by member participation and leadership, survey results represent an excellent report card. WHA's overall value rating of 92% (Excellent/Good) ranks fifth in the nation and demonstrates incredible improvement since 1996. And members view their personal participation in Association activities as rewarding, useful and necessary work at a high level...93%...again, a top five ranking!

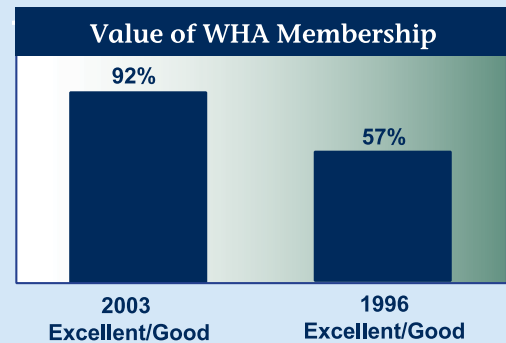
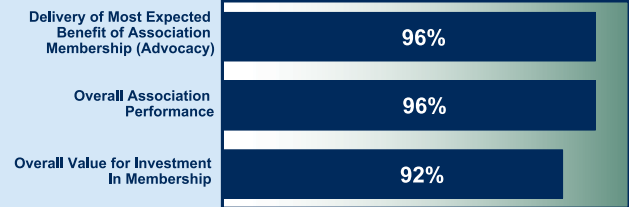


Gerald Worrick,
CEO, Door County
Memorial Hospital
and 2003 WHA
Board Chair

The 2003 member survey was used as a primary resource document for the WHA board planning session this summer, which culminated in a significant rewrite of WHA's Strategic Plan. Results were used to validate current WHA issue priorities and applicable programming and identify areas of member expectations where new and/or refocused programming will help maintain these top scores in the future.

"I am particularly pleased that members feel good about the value they are receiving from their personal and economic commitment to our Association," according to WHA Chair Jerry Worrick.

% of Members Rating WHA "Good" / "Excellent"



The Wisconsin Hospital Association Strategic Plan

The WHA Board of Directors created and approved the Association's 2003-2007 strategic plan. The plan incorporates a continuous five-year set of strategic objectives that constitute the majority of WHA's overall program activities and efforts.

Key strategic areas of focus are:

- ◆ Promoting health care system reform.
- ◆ Pursuing adequate health care funding.
- ◆ Supporting and promoting initiatives that assure an adequate supply of health professionals.
- ◆ Encouraging continuous quality and patient safety improvement.
- ◆ Developing and sustaining strategic relationships.

The health care environment is dynamic. That fact requires WHA leadership on these important strategies in order to accomplish our mission of advocating for an environment that allows our members to provide high quality care to Wisconsin communities.



Charles Shabino,
MD, WHA 2003
Chair-Elect and
Leader, Strategic
Planning Session

The WHA Information Center, LLC



The final 2003-2004 state budget included WHA's proposal to privatize the hospital data collection functions of the Bureau of Health Information (BHI) and eliminate the \$1.3 million annual hospital assessment used to fund BHI.

WHA created the WHA Information Center to carry out the privatization initiative. As part of the new law, data collection will be expanded to include hospital outpatient data in 2005, making the available data more useful for hospitals and health care purchasers.

In December, more than 200 people attended WHA Information Center training sessions designed to orient hospital and ambulatory surgery centers to the new data submission process.

WHA Information Center will begin accepting fourth-quarter 2003 data on January 2, 2004. Facilities will submit the data via a new Web-based submission tool, which is intended to simplify and speed the error-correction process, reducing the time lag between data submission and data dissemination.



Marc Marotta, Secretary, DOA;
Steve Brenton, President, WHA

WHA Financial Solutions, Inc.



WHA Financial Solutions, Inc. had another successful year of delivering to membership high quality employee benefits, retirement planning and corporate insurance solutions. Financial Solutions projects another positive year, with a \$247,000 net profit. 2003 brought about:

- ◆ A strategic alliance with Fitzgerald, Clayton, James and Kasten to deliver liability coverage, property coverage and workers compensation programs
- ◆ Technology solutions for human resource departments including; electronic benefit elections for employees, personalized employee benefit statements and *My Benefits View* a customized benefit website to provide employees with 24/7 access to their benefit information
- ◆ Significant financial support of educational programs and conferences.

WHA Foundation

The WHA Foundation recognized two innovative health programs. Global Vision Awards were presented to Infinite Boundaries, a breast cancer recovery program, and to Columbia St. Mary's, Inc. for their childhood screening program.

The **WHA Foundation launched a new scholarship program** for students in their last semester of pursuing a career in health care. To date, eight recipients studying nursing, radiography, and sonography have received WHA Foundation scholarships.

The annual **WHA Personnel Survey**, conducted late in 2003, will provide hospitals with vital information regarding the size, age and number of vacancies that are sure to have profound effects on the health care environment. The survey will also be used by WHA to provide focus to the workforce development agenda in the coming years.

Communications and Education

WHA held 16 educational offerings in 2003, for a total attendance of 1,924 . . . a 48% increase over 2002.

The **WHA Annual Convention and Rural Health Conference** were among the Association's most successful both in terms of content and participation, with 50% and 35% increases in attendance, respectively.

The 2003 **Quality & Safety Forum** showcased 40 safety and quality projects from 20 member hospitals, with a record number of attendees participating in both the forum and showcase.

The WHA newsletter, *The Valued Voice*, is now distributed to more than 1,500 readers, including the State Legislature and Wisconsin's Congressional Delegation.

WHA Valued Voice featured exclusive interviews with four state legislators, four members of Wisconsin's Congressional Delegation, and NIH Director Elias Zerhouni.

WHA published the **Guide to the Release of Patient Information to the Media**, compliant with HIPAA regulations.



Hospital trustees heard a firsthand report on the health care environment from WHA President Steve Brenton during the trustee education session at the Rural Health Conference held in June.

Summary

WHA staff and leaders are confident that 2003 results equal and, in fact, surpass the Association's outstanding 2002 performance. The membership survey results clearly validate a return on value to members, not only value as measured by the economic resources member hospitals provide, but also a return of value for members' commitment of time and talent invested via participation on councils and task forces. The members' commitment to the Association's goals energizes and encourages staff to accomplish program priorities and prods our volunteer leaders to approach issues with innovative solutions.

The Association enters 2004 dedicated to ensuring that community-based hospitals continue to provide the very highest quality health care through affordable, accessible delivery systems.

The Wisconsin Hospital Association's mission is to advocate for the ability of its members to provide high quality health care services to Wisconsin communities.