



Results

President's Message

This was an ambitious year in terms of new initiatives.

Wisconsin health care is ranked among the best in the nation for value. That reputation has been earned through the hard work and collaboration of many health care professionals in every corner of the state.

Our new WHA Partners for Patients initiative is working with more than 100 hospitals to help improve quality and safety through collaboration and education. WHA is one of 34 state hospital associations working with the AHA Health Research & Educational Trust (HRET) to lower infection rates and reduce hospital-acquired conditions. Initial results are impressive, and we are excited about redoubling our efforts in 2013.

The Agency for Healthcare Research and Quality (AHRQ) consistently ranks Wisconsin in the upper echelon of states that perform well on more than 200 quality measurements. More recently, the Commonwealth Fund's first Scorecard on Local Health System Performance ranked Wisconsin as one of the top three performing states in the Midwest. All Wisconsin communities fell within the upper 25 percentile. It comes down to this: Our hospitals and physician partners are committed to performance measurement, transparency and quality improvement—all factors driving the high rankings.

WHA has developed a sustained campaign to advance the position that Wisconsin health care is of high value, and that fact should be deployed as an economic development strategy to promote private sector job growth. There's still work to be done, but the overall takeaway here is that "where you live matters" as it relates to health care. And Wisconsin is a good place to live.

As we align our resources and skills to address the issues that are before us in 2013, we value your input and thank you for your ongoing support of your Association.



Steve Brenton

Wisconsin Health Care Leaders Blaze New Trail

Health reform continued to take center stage while Wisconsin health leaders quietly developed strategies that would ensure their continued ability to provide high quality, high value care.

Reform in Wisconsin was in motion long before the President signed the reform bill into law. Hospital and health system leaders were creating value by improving quality, reducing expenses, and making patient care safer. In other words, Wisconsin continued this year to lead the nation and to keep its place in the federal Agency for Healthcare Research and Quality's ranking as a state that consistently delivers high quality care. That, combined with the highly-integrated nature of health care here has fostered innovation, improved quality improvement and earned Wisconsin a reputation as a "leader state."

High Quality – High Value Care: A Wisconsin Economic Advantage

The competition to attract new and keep current industries and businesses is a high-stakes proposition among the 50 states. States use everything in their arsenals to attract employers. Wisconsin has a lot to offer a potential business suitor, no doubt. But what has been missing from this courtship is a mention of Wisconsin's excellent health care community.

This year, WHA embarked on a campaign to make sure that health care is recognized as a competitive economic advantage for employers looking to relocate or expand into Wisconsin. In the first phase of the campaign, which started mid-year, WHA and member hospitals have been meeting with editorial boards and reporters across the state, which led to a steady flow of positive editorials in some of the state's largest news outlets:

- **Our View: Wisconsin a leader in medical care** - *Wausau Daily Herald*, August 25, 2012
- **Region boasts quality health care** – *La Crosse Tribune*, November 22, 2012
- **Our View: Region's health care worth promoting** – *Green Bay Press Gazette*, October 14, 2012

This story has spread beyond Wisconsin's borders. A national publication, *Area Development* magazine, also picked up on the advantage that Wisconsin's health care offers employers. WHA Executive Vice President Eric Borgerding believes that being a national leader in health care quality and cost is an attractive community economic development tool.



Borgerding, quoted in the article, says, "Health care costs are a key part of total labor cost for many businesses. A state like Wisconsin, through our collaborative efforts to moderate health care costs and deliver better value for health care dollars, should have a competitive edge when it comes to attracting new business operations or expansions compared to other states."

WHA has always promoted hospitals and health systems as employers themselves and emphasized their impact on the state's economy and on the job market. Hospitals and health systems are now and will remain economic cornerstones. But now it is time to move in an additional direction that touts hospital and health system efficiency, high quality and value as an economic advantage to employers.

"Infrastructure is roads, clean water, and for us, it is even in lifting up and supporting our health care system, which...is one of the best in the country. That is an asset. You can't put a price on that. We want to continue to make investments in infrastructure, including health care."

- Governor Scott Walker

Governor Scott Walker and his team have gone on record touting the value of Wisconsin health care as they promote economic development, too. Speaking before a standing-room only crowd comprised of Wisconsin business leaders at a luncheon sponsored recently by Wisconsin Manufacturers and Commerce in Madison, the Governor recognized that Wisconsin's health care value is a competitive advantage to the state's employers.

WHA is taking the health care value message directly to more than 3,000 employers through a series of direct mail pieces, combined with presentations and meetings with local Chambers of Commerce and Regional Economic Development Organizations. Hospitals and health

systems are partnering with employers to find ways to work together to improve employee and community health, lower health care costs and create jobs that will help ensure that Wisconsin residents have access to family-sustaining jobs with good benefits.

"Delivering high value care is more than just a message," said Borgerding. "It is the foundation of our advocacy platform—advancing state and federal policies that enable our members to provide superior care."

WHA Medicaid Re-engineering Group and Advisory Group Principles and Recommendations Help Protect Medicaid as a "Safety Net" Program

One of WHA's top priorities continues to be to protect Medicaid as a 'safety net' program. That is not an easy task in light of ACA implementation and state and federal budget woes that lawmakers continue to seek significant cost savings while developing new policies affecting payment and enrollment. WHA is a strong advocate for a Medicaid program that preserves access to care to the most vulnerable citizens and reserves scarce funding for those who truly have no other options. With that comes an obligation to prudently manage increasingly limited resources while adequately compensating providers, including the development of rational "performance" measures and minimizing cost shifting from unreimbursed Medicaid costs and uncompensated care.

WHA has pledged to preserve the integrity of the hospital assessment program as a top priority. WHA has worked at both the state and federal levels to ensure that policymakers acknowledge the unique attributes of Wisconsin's health care delivery system.

WHA has continued its advocacy on aspects of Medicaid reform in support of goals developed by the WHA Medicaid Re-engineering Group (MRG). A key aspect of WHA's efforts includes reviewing quarterly reports submitted by DHS to the Legislature. These reports are the result of a WHA-backed budget provision. As part of its ongoing efforts, WHA:



WHA's Medicaid Re-engineering Group

- Submitted written comments opposing a physician payment reduction in the Medicaid program, and worked to ensure that the reduction did not apply to emergency services.
- Met with DHS staff numerous times, providing both financial and quality expertise to ensure that the Medicaid hospital pay-for-performance program was workable for hospitals, used performance measures that are based on outcomes within the control of the hospital and used data already collected so as to minimize the administrative burden for hospitals.
- Continued to convene the Medicaid Advisory Group, to meet with DHS staff around reimbursement issues to ensure ongoing transparency in the rate-setting process. WHA carefully analyzes DHS rate-setting methodology in advocating for accurate and adequate Medicaid rates within the limits of the state budget. WHA has also worked with DHS on developing the new EAPGs that will be used for outpatient payments in the coming year. Recognizing that DHS was not prepared for implementation, WHA convinced DHS to delay implementation by three months to give hospitals more opportunity for review and input.
- Hosted staff from the Legislative Fiscal Bureau who are responsible for analysis of the Medicaid program budget. LFB staff, presenting at a WHA Public Policy Council, gave their insights into the budget process, as well as proposals affecting the current Medicaid budget. This was an illustration of the positive working relationship WHA has with individuals who are responsible for analyzing the Medicaid budget and developing alternative proposals for the Legislature's budget committee.

By reconvening WHA's Medicaid Re-engineering Group to address questions around coverage expansion, WHA will be well-positioned for the upcoming legislative session to proactively advocate on behalf of members for a Medicaid program that aligns with WHA's principles.

WHA Legal Advocacy Critical as Courts Make Key Decisions in 2012

WHA's legal advocacy efforts, which can include filing amicus briefs alone or with other organizations and providing other support, have been a key part of its broader advocacy activities this year. Two Wisconsin Supreme Court decisions of particular interest to WHA and its members resulted in an important win and a major loss.

- In the *Gister* decision, the Court acknowledged the sound statutory scheme in Wisconsin that protects, rather than depletes, valuable Medicaid resources. The Court held that a hospital may pursue payment for the care provided to an injured Medicaid-eligible patient by filing a lien against the settlement between the patient and the insurance company covering the liability of the person responsible for the patient's injuries.
- In the *Jandre* case, the Supreme Court issued a decision related to informed consent that if left unaddressed could impede movement to a more value based health care system and severely harm Wisconsin's tort environment. WHA has convened a work group of members' counsel to develop legislation to address the Court's decision and is working with likeminded organizations on the legislative strategy for the upcoming session. Governor Scott Walker's administration has acknowledged the importance of addressing the matter and "fixing" *Jandre* will be a key component of WHA's 2013 quality-focused legislative agenda.

Beyond litigation, WHA also worked with a number of the law firms that are corporate members to update the WHA Health Law Manual. The Manual is a valuable member benefit that is used by staff throughout the hospital.

WHA Physician Workforce Report Sets in Motion Action to Avert Shortage

One of WHA's highest priorities is to assure that Wisconsin has an adequate physician workforce. With the release of WHA's frequently cited report, "*100 New Physicians a Year: An Imperative for Wisconsin*," the Association set in motion a statewide conversation that has led to significant progress in 2012.

WHA has focused on two important factors that influence the supply of physicians: expand the number of Wisconsin students in the state's two medical schools and create opportunities for these physicians to complete their graduate studies in Wisconsin. In 2012, the WHA GME Task Force focused its efforts on:

- Providing members with basic information on GME – hospitals need to understand the basics of GME, and the costs and benefits of being involved. WHA staff is developing educational resources, such as webinars and white papers, to provide the necessary information.
- Engaging in public policy advocacy around GME – WHA will be active at both the state and national levels. WHA staff is working with other stakeholders within Wisconsin to expand loan forgiveness and tax incentive programs, and exploring ways to increase funding of GME, either through Medicaid or other sources. At the national level, WHA staff is planning advocacy efforts early in 2013 that will include stakeholders within Wisconsin as well as others at the national level having similar GME goals.
- Creating a resource for hospitals involved in GME – staff has been actively developing resources, including a list of “content experts” and a library of GME information, for use by hospitals that want to implement residency programs.
- Encouraging the development of consortiums – staff is developing information for members about GME consortiums, including creating a resource similar to the “library” outlined above regarding consortiums, and providing examples of best practices in consortium development and management.
- Encouraging physician engagement – sufficient physician engagement will help ensure the success of residency programs. WHA will work with other stakeholders to survey physicians about their support and involvement in GME, identify alumni of the two medical schools to gauge their support, provide information to physicians on the benefits of being involved in teaching and of having GME programs in their communities, identify and survey retired physicians to see if they would be willing to teach, and create resources for physicians willing to be involved in teaching.
- Create a GME Infrastructure – to provide an infrastructure, an entity will be created. WHA staff is exploring options, including reviewing what has been successful in other states.
- In addition to the activities outlined above, WHA staff continues to actively support Medical College of Wisconsin leadership in their development of community-based medical student education programs.

WHA Makes Progress on Behavioral Health Issues through Collaboration

WHA will accelerate implementation of the Behavioral Health Task Force recommendations and develop a new white paper with updated findings and recommendations. Efforts will continue to focus on collaborative opportunities with stakeholder groups, member education and advocacy focus on Chapter 51.

Working with other stakeholders has been a key theme as WHA has developed a new white paper and worked to prepare WHA's behavioral health agenda for the 2013 legislative session which includes the Mental Health Care Coordination/HIPAA Harmonization bill. WHA has also been active with direct advocacy in 2012, including advancement of WHA recommendations in Legislative Council study committees on emergency detention and Alzheimer's-related hospitalizations, stalling law enforcement backed emergency detention legislation that would have created difficulties for hospital emergency departments, and working with state and federal officials to resolve issues relating to EMTALA and Wisconsin emergency detention law.

Hospital Grassroot Advocates Aim to “Protect Hospital Care”



Hospital advocates continued to “turn up the grassroots HEAT” with their elected officials. From hosting legislators to traveling to Washington, DC to “protect hospital care,” hospital advocates across the state have engaged on priority issues.

One major WHA legislative and advocacy initiative this year has been the “Protect Hospital Care: Oppose Payment Cuts”

campaign. This comprehensive initiative was developed and launched by WHA to fight back against continued Congressional attacks on federal hospital and health system payments under the Medicare

and Medicaid programs. Over the course of 2012, hundreds of hospital leaders and advocates engaged in any number of “Protect” campaign strategies. A few examples of those “Protect” strategies and results include:



- Launch of the WHA comprehensive “Protect” micro-website which provides hospitals one-stop shopping for information and advocacy tools (www.wha.org/protect-hospital-care.aspx).
- 50 hospital leaders personally travel to Washington, DC on five WHA-led trips to meet with Members of Congress. (Oct. 2011, Feb. 2012, April 2012, July 2012, Nov. 2012)
- 250 hospital leaders participate in five WHA hospital listening sessions and telephone town halls with Members of Congress:
 - 125 hospital leaders/advocates participate in WHA hospital listening sessions with U.S. Senator Ron Johnson, U.S. Rep. Reid Ribble, U.S. Rep. Tom Petri; and
 - 125 hospital leaders/advocates tune in WHA telephone town halls with U.S. Rep. Ron Kind and U.S. Rep. Sean Duffy
- WHA assists with raising \$100,000 for the AHA and national Coalition to Protect America’s Health Care
- HEAT advocates send close to 2,000 emails to Wisconsin Members of Congress, urging Congress to “protect hospital care, oppose payment cuts”



Hospital leaders meet with Cong. Paul Ryan in Washington, DC



Divine Savior Healthcare (Portage) hosts newly redistricted legislators Sen. Jon Erpenbach and Rep. Fred Clark

Over 400 Participate in WHA Telephone Town Halls

- To continue facilitating engagement by hospitals, leaders, boards, advocates and WHA corporate members, WHA launched a popular Telephone Town Hall series in 2012. Topics covered were: PPACA Supreme Court Decision; Discussion with Cong. Ron Kind on health care programs; Discussion with Cong. Sean Duffy on rural hospitals; and a post-election analysis by WHA’s Steve Brenton and Eric Borgerding. This popular series will continue in 2013.

750 Attend Advocacy Day In Madison – This event has become one of the largest events of its kind in the State Capitol across all organizations in Wisconsin. Advocacy Day reached 750 registrations in 2012 for the second year in a row. This sustained commitment shows the importance Wisconsin

hospital advocates place on learning about issues and then meeting with their legislators. In 2012, 450 Advocacy Day attendees met with their legislators in the State Capitol at this event.



Bob Van Meeteren receives an AHA “Grassroots Champion” award



Gov. Walker keynotes WHA’s Advocacy Day luncheon

WHA Leads Four DC Hill Fly-Ins – WHA continues to engage federally with the Congressional Delegation, including four trips to Washington, DC in 2012. Dozens of hospital representatives spoke personally with Wisconsin Members of Congress and spoke out against cuts to hospital Medicare and Medicaid reimbursement.

WHA's Quality Efforts Help Hospitals Improve Health Care Value

Wisconsin hospitals continue to be in the upper echelon of states that are recognized for delivering high value care to their patients. Providing high-quality care is an important component of this equation. High quality is easily demonstrated through voluntary public reporting of results on CheckPoint (www.WiCheckPoint.org). Wisconsin is also known for the high level of hospital participation in national improvement work and for the level of collaboration and sharing of best practices that occurs among member hospitals. In fact, Wisconsin hospitals have received accolades for quality improvement and public reporting for nearly a decade.



www.WiCheckPoint.org

Important Outcome Measures added to CheckPoint

Checkpoint, WHA's signature public reporting tool, is recognized as the largest voluntary hospital public reporting program in the nation. Health improvement measurement continues to evolve, and WHA is dedicated to staying ahead of new developments in the field, including increased focus on outcome measures. Seven new outcome measures were added to Checkpoint this year. These measures include rates for readmissions, mortality and central line-associated blood stream infections.

Improving Value by Decreasing Patient Harm

Partners for Patients



WHA is serving as a hospital engagement network for 108 hospitals under a two-year subcontract with American Hospital Association's Health Research and Educational Trust (HRET), to work on the national Centers for Medicare and Medicaid Partnership for Patients project. The CMS goal is focused on the two aims of reducing hospital readmissions by 20 percent and hospital-acquired harm by 40 percent, by December 2013.

WHA's quality team launched the webinar-based learning collaboratives in June to guide this work. The project experienced close to 1200 hospital improvement team log-ins to the 73 webinars held between June and November. The learning collaboratives focus on teaching hospital improvement teams quality improvement tools, clinical change packages and hospital-to-hospital sharing. Many hospitals are excited about the focus on pairing small tests of change and engaging front-line staff in the improvement work.

Early results in the project show:

- 16 percent decrease in readmissions
- 70 percent decrease in hospital-acquired pressure ulcers
- 37 percent decrease in venous thromboembolism
- Hospitals implementing an early elective delivery policy are consistently achieving rates of <3 percent

On the CUSP: Stop Health Care Acquired Infections

On the CUSP is a national implementation of the Comprehensive Unit-based Safety Program to eliminate health care acquired conditions. WHA has been the lead organization working with Wisconsin hospitals to implement the clinical and cultural changes needed to reduce central line-associated health care infections (CLABSI). Forty-two Wisconsin hospitals participated in the CLABSI project. CLABSI infection rates were decreased by 67 percent in this learning collaborative. This project was incorporated into the Partners for Patients project in June, when five new hospitals began the same work.

Robert Wood Johnson Foundation's Aligning Forces for Quality Grant

Transforming Care at the Bedside

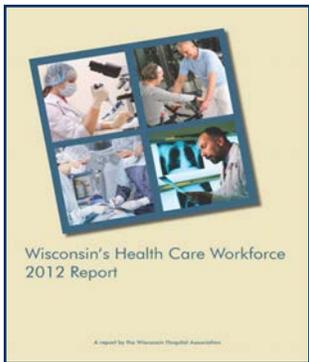
WHA's participation in the Aligning Forces for Quality grant has given hospitals statewide the opportunity to join important improvement efforts. Transforming Care at the Bedside (TCAB) is an 18-month project designed to engage front-line nursing staff in designing and conducting unit-based improvement initiatives. The first cohort of 15 hospitals that ended in September reported improvements in patient satisfaction, time spent at the bedside, patient fall rates and pressure ulcer rates. A second TCAB cohort of 23 nursing units from 21 hospitals launched in October.

Preventing Unnecessary Hospital Readmissions through Community-Based Improvements

The Aligning Forces for Quality grant supported expansion of readmission work into the long term care setting. WHA, in partnership with MetaStar, launched a webinar-based learning collaborative to bring the INTERACT II toolkit to Wisconsin nursing homes. Over 70 nursing homes are actively implementing this toolkit, which is designed for early detection and intervention for residents at risk for a hospital admission or readmission.

WHA is participating in a multi-stakeholder state committee that is working on improving transitions of care. The committee held two regional meetings with more than 250 participants in October, which brought hospitals, nursing homes, home care agencies and other community-based organizations together to begin planning work to improve care transitions within their communities.

Economy Eases Health Care Shortages in Short-Term, Future Uncertain



Workforce is a top priority at WHA because a hospital's ability to meet the growing demand for care is entirely dependent on having an adequate number of highly-skilled workers. Wisconsin hospitals employ more than 100,000 people, and payroll expenses comprise more than 58 percent of a hospital's budget.

The 2012 WHA Workforce Report includes responses from the 2011 survey of vacancies for selected clinical occupations. Hospitals that struggled to fill key positions four years ago are reporting historically-low vacancy rates for many occupational groups. The recession has eased shortages as older workers returned to work and existing employees took on more hours, while some professional programs have increased enrollment, which also helped.

The economy will recover and older workers will retire. As the number of older citizens leaving the workforce outpaces the number of workers entering it, hospitals will compete with other industry sectors to attract a skilled and knowledgeable workforce, which increases the likelihood of shortages in the future. Conscientious managers are developing strategies to fill positions they know will be available as their more senior employees leave the workforce.

WHA is advocating for the collection of health care workforce data, thoughtful workforce planning, careful evaluation of clinical educational sites, evaluation of scope to ensure all professionals are best utilizing skills, cooperation with educational facilities and ongoing recruitment efforts. These actions are all needed to ensure that no matter where in Wisconsin people live, they have a well-prepared health care workforce available to provide their care.

WI Hospitals PAC and Conduit Raises a Record \$250,000 in Wisconsin Frenetic Election Year of 2012

As 2012 comes to a close, it brings an end to a very busy campaign and election year that began in unusual fashion with June recalls elections and ended in November with very high profile state and federal races and a hotly-contested presidential race with Wisconsin as a major battleground state.

The Wisconsin Hospitals PAC and Conduit fundraising campaign has raised a record \$250,000 from 415 individuals. This record year surpasses the 2011 record year, which was previously \$236,000.

The average contribution this year is at an all-time high rising to \$602 per person. Also besting last year's numbers, 56 participants are members of the Platinum Club. The Platinum Club recognizes those who have contributed \$1,500 or more in a calendar year. This year's Platinum Club members will receive their premium recognition gift in January.

Things were equally busy on the disbursement side of the 2012 fundraising campaign, with more than \$270,000 going to candidate campaigns from both sides of the political aisle. In 2012, the campaign was able to support the campaigns of 156 candidates for office.



The WHA Foundation, Inc.

During 2012, the WHA Foundation, Inc. continued to support its three funding priorities—workforce development, quality/patient safety and community collaboration.

The WHA Foundation Scholars Program awarded 32 scholarships during the 2011-2012 school year, covering tuition, books and fees for students in their final semester of a two-year health care-related degree program at one of the 16 technical colleges in Wisconsin. Since its inception in 2003, more than 280 scholarships have been awarded, worth more than \$320,000. The program continues with 32 scholarships currently being offered for the 2012-2013 school year.

The annual Global Vision Community Partnership Award provides recognition and financial support annually to two community health initiatives created in partnership with WHA members. The first 2012 award recognized the Rural Health Initiative, nominated by ThedaCare. The Rural Health Initiative's mission is to improve access to health care, preventive services and community resources, as well as increase health status, healthy behaviors and occupational safety for farm families in the rural northeast Wisconsin region. The other 2012 award recognized the Milwaukee Health Care Partnership, nominated by Froedtert Health, on behalf of the five participating health systems: Aurora Health Care, Children's Hospital & Health System, Inc., Columbia St. Mary's Inc., Froedtert Health and Wheaton Franciscan Healthcare. The Milwaukee Health Care Partnership's mission is to improve coverage, access and care coordination for medically-underserved Milwaukee County residents.



WHA Information Center, LLC

The WHA Information Center is the leading source of data on Wisconsin hospitals. As the state-designated hospital data collection entity for the past eight years, WHAIC collects approximately nine million records per year including hospital inpatient, hospital outpatient and free-standing ambulatory surgery center records. The data is used to produce several well-referenced publications available both on-line and in hard copy versions and to provide public use and custom data sets. The publications include the Guide to Wisconsin Hospitals, the Uncompensated Health Care Report, the Health Care Data Report and the Wisconsin Inpatient Hospital Quality Indicators Report.

To further enhance the products available to data users, WHAIC released their first version of hospital ancillary service data in a public use data set in 2012. Charges and utilization for services such as radiological procedures, laboratory, therapies and chemotherapy are now available.

This year, WHAIC developed a detailed project plan and communicated with stakeholders regarding the upcoming ICD-10 coding nomenclature change scheduled fourth quarter 2014. A new version of the WHAIC data collection software was developed and will be implemented January 1, 2013 to effectively handle this enterprise-wide change involving health care providers, payers and other vendors.

PricePoint, WHAIC's pricing transparency initiative, continues to not only support publicly-reporting hospital charges in Wisconsin, but in 12 additional states. Hospital ancillary service groups were added to PricePoint in 2012. Work is underway to add additional hospital outpatient service categories to PricePoint in 2013.



www.WiPricePoint.org

Quality reporting for hospitals was added as a new service for WHAIC in 2012 while partnering with the WHA Quality Department to meet the requirements for the CMS Partners for Patients contract. This new service was the first step in creating an analytics unit in the WHA Information Center to support hospitals and health systems. Addition of the analytics units led to the revision of the Information Center's Mission Statement: WHA Information Center is dedicated to collecting, analyzing and disseminating complete, accurate and timely data and reports about charges, utilization, quality and efficiency provided by Wisconsin hospitals, ambulatory surgery centers and other health care providers.