Uncompensated Care and Charity Care Policies Included in Medicare Cost Reporting Requirements

Important changes to the Medicare cost report will require every hospital to report information on the uncompensated care they provide. These changes already are in effect and apply to cost report periods beginning on or after April 30, 2003. Hospitals will be asked to report the level of uncompensated care (charity care plus bad debt) provided as well as present information about their charity care policies. These changes implement a provision of the Balanced Budget Refinement Act (BBRA) of 1999. Congress intended that the collection of uncompensated care information through the Medicare cost report would provide the Centers for Medicare & Medicaid Services (CMS) with the necessary data to help the agency design changes to the Medicare disproportionate share hospital payment methodology as recommended by the Medicare Payment Advisory Commission.

WHA is concerned that hospitals have not had time to digest these new reporting requirements and that numerous areas of clarification still need to be addressed before hospitals can fully comply. These requirements come when hospital billing, collection and charity care policies are under greater scrutiny. As you review these new reporting requirements with your staff, take the opportunity to conduct a self-assessment of your own charity care policies. Refer to the WHA Board approved policy statement on the classification of charity care which can be found on the WHA web site at www.wha.org/pubArchive/position_statements/pp1998charity.pdf.

More details on the new reporting requirement are included in the CMS Program Transmittal 10 which is available on the CMS web site at cms.hhs.gov/manuals/pm_trans/R10P236.pdf. WHA will continue to follow this issue and provide additional information to the membership as it becomes available.

WHA Quality and Safety Forum Brings Experts Together to Share Improvement Techniques

More than 120 representatives of Wisconsin hospitals gathered in Wausau on October 27-28 to learn more about processes and programs that have led to improvements in hospital quality and safety. Chuck Shabino, WHA’s incoming chair, who also leads the WHA Medical and Professional Affairs Committee, said each year the Forum has expanded in scope, and now includes not only safety, but also showcases quality improvement projects that have been implemented in Wisconsin hospitals.

More than 40 projects were shared during the showcase, on topics ranging from clinical and quality improvement, medication and environmental safety, and infection control efforts. According to Dana Richardson, WHA’s vice president of quality, the poster session is perhaps the most popular and valuable aspect of the forum.

“The showcase provides an opportunity for hospitals to share the details of the work they do in quality and safety improvement with others in the field,” Richardson said. “This allows others to understand the options and resources that are available to them in implementing new improvements in their own facilities.”

(Continued on page 2)
Keynote speaker Charles Inlander, president, People’s Medical Society, shared a consumer’s perspective on health care with the group. He complimented the WHA quality and safety program, CheckPointSM, for providing more information to consumers and helping them to understand how they can participate in decisions involving their own health. Inlander said he believes medical quality and accountability can be improved if providers put consumers first; the focus is on prevention and consumer involvement in health care decisions, patients are given better information, and licensing boards are restructured to include educated consumers on the board that constitute at least 51% of all board memberships.

Jeff Brown from the System Safety Group described human factor science, a relatively new concept. Brown defined human factor science as a multi-disciplinary field of research and practice concerned with understanding and managing human performance. Themes that adverse events have in common across disciplines, include: complexity of job; deviations from usual workflow (interruptions); poor coordination across roles; poor dynamic task re-allocation; poor observation of situation; poor hand-off briefing; degraded ability to detect problem and recover; and missed side effects of change.

“The safety of socially and technically complex systems is shaped dynamically by people and technology within and among organizations, across varied and geographically distributed environments, and over time,” according to Brown. “We must prepare front-line teams to detect and manage unexpected events.”

Nick Turkal, MD, Aurora Health Care, and Vicki Becker, quality service coordinator at Southwest Health Center in Platteville, described their successful efforts in gaining physician involvement in quality improvement efforts in urban and rural settings.

SSM’s quest for quality culminated in being named the 2003 Baldrige Award Winner and the first health system in the USA to earn the award. Andy Kossoff, MD, medical director-clinical system improvement, SSM Health Care Wisconsin, and Tim Hallock, CQI facilitator, St. Marys Hospital Medical Center, Madison, discussed the changes in culture and processes that occurred as SSM made the changes necessary to instill a culture of excellence.

“We needed techniques for quality. As we moved from ‘bookish,’ we moved toward practical. We understood the methodology; we just needed to make them usable and practicable in the daily work life of people,” according to Hallock.

2004 Convention Planned for September 15-17 in Lake Geneva

Mark your calendar for WHA’s 2004 Annual Convention. It will be held on September 15-17, 2004, at the Grand Geneva Resort in Lake Geneva. The golf outing will be held on Wednesday, September 15, at The Highlands at Grand Geneva, with education sessions on Thursday, September 16 and on the morning of Friday, September 17. WHA will continue to keep you updated on this event, as the agenda of presentations is finalized.

This week’s packet includes a flyer with the 2004 convention information. Please note that the 2004 Annual Convention was previously scheduled on September 8-10, 2004, in Madison.

If you have any questions about the 2004 Annual Convention, contact Jennifer Frank at 608-274-1820 or jfrank@wha.org.
President's Column

The University of Wisconsin System’s Fourth Annual Economic Summit was held this past week in Milwaukee. A significant part of the program focused on the topic “Health Care Costs and the Economic Development Impact.”

Conference presenters, including Mary Starmann-Harrison, CEO, SSM Health Care; Bob Phillips, MD, medical director, Marshfield Clinic; Chris Queram, CEO, The Alliance, Madison; and Al Jacobs, executive director, WEA Trust, discussed health care cost drivers and consensus-based solutions designed to mitigate rising health care costs.

Discussion moderator John Torinus, CEO, Serigraph, Inc. (active WMC board member and occasional Milwaukee Journal Sentinel columnist), suggested that “Wisconsin should be a pioneer in addressing rising health care costs.” He referenced the fact that the conference panel was representative of a larger group of providers, purchasers, consumers and other interested parties who had met over the summer months in an effort to understand the causes of rising health care costs and then identify consensus-based solutions. Torinus pointed out that the primary strategies identified by the group include the need to reactivate consumers, encourage value purchasing and demand transparency of cost and quality information.

Importantly, much of the focus of WHA’s current policy agenda were mentioned time and time again as being key drivers of health care costs. Those key areas: the workforce, cost shifting from public program underpayment, population health issues and the misalignment of incentives, were identified by the larger stakeholder group as key factors behind rising health care costs.

The panel discussion focused on the notion that consumer-driven health care must be a key strategy in addressing rising health care costs. Consumer-driven health care essentially means that consumers must be more engaged in health care purchasing and to accomplish that goal, consumers need tools to aid their decision-making process.

Consumer-driven health care means that information ...a lot of information...will be necessary and expected from Wisconsin hospitals, physicians and health plans. As pointed out by panelist Mary Starmann-Harrison, “Information transparency is essential.” And transparency means “easily understood.” Hence, public disclosure of performance, including quality, safety and costs, will no longer be optional.

The advent of private sector-driven initiatives like CheckPointSM and the Wisconsin Collaborative have incredible promise and are being embraced enthusiastically. But much more is expected and will need to be delivered.

Another theme that emerged during the panel discussion is the optimistic notion that Wisconsin can be a leader in encouraging and rewarding value purchasing. The advent of private sector-driven initiatives like CheckPointSM and the Wisconsin Collaborative have incredible promise and are being embraced enthusiastically. But much more is expected and will need to be delivered.

Steve Brenton
President
Still Time To Register For November Education Offerings

WHA is offering several educational seminars in November, on a wide variety of topics. Mark your calendars and register now for the following events:

- **Improving Your Reimbursement Contracts**  
  **November 5 at Kalahari Resort in Wisconsin Dells**  
  This seminar guides you through the demystification of traditional contract language, and the impact on provider operations and costs. You’ll participate in an in-depth, hands-on, line-by-line operational analysis of a complex managed care agreement with many of the classic and not-so-classic problem terms, conditions and “gotchas” frequently encountered in HMO, PPO, Silent PPO and other managed care agreements. This seminar is cosponsored by HFMA-Wisconsin Chapter and the Rural Wisconsin Health Cooperative.

- **The Revenue Cycle: Successful Strategies for Positive Reimbursement Outcomes**  
  **November 6 at Great Wolf Lodge in Wisconsin Dells**  
  This seminar highlights key operational concerns impacting cash and deals with the revenue cycle from pre-registration functions to the closure of the patient account. The American Health Information Management Association (AHIMA) has approved this seminar for five (5) continuing education hours.

- **Conference for Executive and Administrative Assistants**  
  **November 6 and 7 at Great Wolf Lodge in Wisconsin Dells**  
  Learn how to better understand and work with those around you, how to better advocate with your legislators on behalf of your hospital, and learn to “unleash your potential” to bring the best of yourself to your life and your work at this seminar. November 6 is an optional networking reception and dinner, with a full day of education on November 7.

- **The 2004 JCAHO Environment of Care: A Practical Approach to the Survey Process**  
  **November 13 at Crowne Plaza in Madison**  
  This seminar will provide detailed, practical information on how to comply with JCAHO Environment of Care Standards. The program will present an overview of the changes in the 2004 standards as well as planned future changes. Rather than providing just information, this seminar presents a system for managing the JCAHO survey process. If you have been looking for a JCAHO Environment of Care seminar that gives you practical information rather than theory, this is the seminar to attend.

- **The Health and Safety Challenges for the Infection Control Practitioner and Safety Professional**  
  **November 14 at Crowne Plaza in Madison**  
  These are times of great concern for the hospital infection control and safety professional. This seminar is more than just a static review of the challenges faced by these practitioners. It includes practical advice and sample procedures that can be implemented at hospitals throughout Wisconsin. Specific issues to be discussed include SARS and Monkey Pox, needlestick injury prevention, and changes in the hand hygiene directive.

You can find program and registration information for these programs on WHA’s web site at [www.wha.org](http://www.wha.org). Additionally, you can register on-line for these programs. For program content information, contact Jennifer Frank at 608-274-1820 or email jfrank@wha.org. For registration questions, contact Bridget Gifford at 608-274-1820 or email bgifford@wha.org.