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Medical Liability Issue Front and Center at WHA Board Meeting

**Speaker Gard shares his thoughts**

“This is serious business. The case last week sends that message.”
- Speaker John Gard to the WHA Board

“We can’t wait until 2007. We must have an effective cap bill and it has to get to the floor.”
- Eric Borgerding, speaking at the same meeting

The tone was focused and single-minded at the WHA Board meeting in Madison on February 9 as Assembly Speaker John Gard described the policy and politics behind legislation that would cap non-economic damages on medical liability.

“This is serious business. The case last week (in Dane County) sends that message,” Gard said. “I know there is frustration about the situation, about physician recruitment and about just how long this issue is hanging open,” he added.

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Peer Review Law Update Receives Hearings in Legislature

**Senate Committee Approves Bill 5-0**

New legislation that would modernize Wisconsin’s antiquated peer review protection statute received hearings in both the Assembly and Senate health committees on February 8. Assembly Bill 993/Senate Bill 578, the Health Care Quality Improvement Act, is an important proposal that is in step with WHA’s goal of encouraging quality improvement and public reporting in Wisconsin.

Assembly Health Committee Chairperson Gregg Underheim, the lead sponsor for Assembly Bill 993, has been a strong supporter of the bill and instrumental in advancing the Health Care Quality Improvement Act. In support of the bill, Rep. Underheim called peer review a “noble endeavor” undertaken by health care providers to evaluate care and provide a greater amount of transparency. He noted that peer review information must be protected in order to encourage quality improvement in health care.

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The following news release was issued to the statewide press on February 6, 2006.

**Physician Shortage Hits Wisconsin Hard**

**Vacancies statewide reach “unprecedented” levels**

MADISON (February 6, 2006) — The number of physician vacancies in Wisconsin has reached unprecedented levels, according to the Wisconsin Office of Rural Health, which has successfully placed nearly 400 physicians in rural and urban communities in the past 26 years, including many in areas designated as Health Professional Shortage Areas (HPSAs).

Randy Munson, physician recruiter with the Wisconsin Office of Rural Health Physician Placement Program, reports over 300 positions open currently for physicians here in Wisconsin. Roughly half of these positions are for primary care physicians: family medicine, internal medicine, pediatrics, and obstetrics/gynecology. The balance is in a variety of sub-specialty areas such as neurosurgery, orthopedics, and ENT.

“The national shortage of physicians is starting to hit Wisconsin hard in rural and inner city areas,” according to Maureen Kartheiser, director of the Wisconsin Office of Rural Health. “The number of openings we are seeing in hospitals and clinics has reached unprecedented levels. We are very concerned that some communities will not have access to the medical care they need if we continue to see openings outpace the number of physicians who are coming to Wisconsin.”

The prognosis for the physician workforce shortage is bleak as the...
WHA Supports Legislation to Increase Medicaid Reimbursement Rates to Nursing Homes

On February 8, the Senate Committee on Health, Children, Aging and Long Term Care heard testimony from many nursing home administrators and others in support of SB 532 sponsored by Sen. Ron Brown (R-Eau Claire). WHA registered and submitted written comments in support of the bill, which was not only introduced this week, but also advanced out of the Committee on a 5-0 vote. A copy of WHA’s memo of support is posted on WHA’s Web site.

SB 532 would increase the reimbursement rate to nursing homes providing for a one-time supplemental payment of over $3 million in 2006 ($1,285,000 from state and $1,762,000 in matching federal funds) and a nearly $24 million increase ($10,118,000 from state and $13,700,300 in matching federal funds) to the base payment in 2007. If the bill were to become law, the federal government would have to approve the modifications to the state Medicaid plan before the one-time supplemental payment could be made, which likely would not be until 2007.

More than half of Wisconsin’s hospitals have an ownership interest or affiliation with a nursing home. In many of these cases, the hospital offsets the tremendous losses that occur in the nursing home with hospital revenue and without this cross subsidization, many would be forced to close.

As was the case in the last budget session, an area of great priority for WHA continues to be advocating for increased funding to Wisconsin’s Medicaid program in many areas in addition to nursing home reimbursement. WHA Senior Vice President Eric Borgerding explains why this is a priority for WHA: “When the Legislature talks about health care reform, this needs to be on the top of their agenda because the only way to begin chipping away at Wisconsin’s ‘hidden tax’ on health care is to start by eliminating the cost shifting on the private sector that results from the government not fully funding its health care programs.”

The WHA Medicaid Task Force continues to meet to develop strategies to work toward more appropriate levels of funding. WHA Medicaid funding priorities include not only advocating for increased payments to nursing homes, but also seeking increases to hospital reimbursement in the areas of outpatient services, graduate medical education and the disproportionate share hospital program in addition to others.

For more information about SB 532 or any other legislation, contact WHA’s Jodi Bloch at 608-274-1820.

WHA Financial Solutions

Is Your Hospital Overspending on its Workers Compensation Program?

With group health benefit costs soaring, the concept of proactive claim management has been successful in reducing cost of benefit programs for many Wisconsin hospitals. Did you know that this approach can also work extremely well at finding savings with workers compensation? At its core, a work comp claim is no different than a group health claim - each flows through similar channels of case management, pharmacy benefit management, insurance carriers, PPOs and, of course, the health system itself.

What can differ greatly between hospitals is how proactive the hospital, and particularly the hospital’s broker, is in managing this process. This month’s Solutions Spotlight (included in this week’s packet) provides examples for managing your work comp claims.
Grassroots Activity This Spring Will Help Determine Fate of Medical Liability and Health Care Quality Improvement Act

By Jenny Boese, WHA Vice President of External Relations and Member Advocacy

The grassroots advocacy efforts of Wisconsin hospitals have not gone unnoticed by the Legislature. Last year, it was our hospitals’ grassroots work that helped propel the approval of increased outpatient reimbursement rates by the Legislature and the override of the nursing home funding veto by the State Assembly.

But don’t take my word for it…

“I’ll be frank, it’s nothing that I did to get the veto override on nursing homes. It’s your [hospitals’] grassroots efforts that made this happen.”

- Rep. Michael Huebsch (R-West Salem) September 22, 2005

Today, our grassroots efforts are leading the charge to restore a cap on medical liability and to pass the Health Care Quality Improvement Act, which encourages quality and patient safety activities at our facilities. In the next two months of legislative activity, your involvement will help sway the final outcomes of both issues.

Only you can relay your personal perspective on these issues and how they impact your hospital and your delivery of care in your communities. See how a few of our grassroots champions have done so in their recent advocacy efforts.

✔ Gundersen Lutheran Health System (La Crosse) – Gundersen Lutheran has aggressively shown their grassroots presence to Coulee Region legislators. Frequent contact from hospital personnel to area legislators on priority issues such as medical liability and the Health Care Quality Improvement Act have already dramatically had an impact. CEO Jeff Thompson and Executive Director of External Affairs Joan Curran are the powerhouses behind these efforts.

✔ Ministry Health Care – Led by hospital leaders such as Michael Schmidt and Mike Kryda, MD, of Saint Joseph’s, Brad Neet of Saint Michael’s, and new Director of Government Affairs Karla Ashenhurst to name just a few, Ministry Health Care is truly a grassroots champion. From Saint Joseph Hospital’s (Marshfield) regular legislative forums to Saint Michael’s (Stevens Point) frequent contacts with area legislators to letters to the editor from leaders at Our Lady of Victory Hospital, Ministry is a shining example of the impact grassroots can have on the outcomes of legislative issues.

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Physicians Speak Out on Medical Liability

Here is what Scott Hansfield, MD, OB/GYN in Waupun and formerly in practice in Illinois, said when asked how his patients reacted upon hearing that he was leaving Illinois because of the medical liability environment there.

“My patients were pretty horrified. Patients could not believe this was happening to them. But they had heard about it, read about it, here was their doctor leaving... they had read about lack of access to care in the paper and how women were driving an hour to deliver a baby. But it didn’t translate into limited care for them until I left...it was now not about limited access to ‘a’ doctor, but to ‘my’ doctor.”

Scott Hansfield, MD, Waupun
President’s Budget Proposal Cuts Deep into Health Care

President Bush proposed this week almost $36 billion in cuts to Medicare over five years when he unveiled his 2007 fiscal year federal budget.

Based on information from the Centers for Medicare & Medicaid Services, the cuts to Medicare include:

- A reduction in the market basket update for inpatient and outpatient care of 0.45 percent in FY2007; of 0.4 percent in FY2008, and of 0.4 percent in FY2009 ($8.1 billion)
- A freeze in the payment update for inpatient rehabilitation facilities for 2007 and an update of market basket minus 0.4 percent in 2008 and 2009 ($1.6 billion)
- A freeze in the payment update for skilled nursing facilities for 2007 and an update of market basket minus 0.4 percent in 2008 and 2009 ($5.1 billion)
- A freeze in the payment update for home health care for 2007, and an update of market basket minus 0.4 percent in 2008 and 2009 ($3.5 billion)
- A four-year phase out of reimbursement for Medicare bad debt ($6.2 billion)
- Adjust payment for hip and knee replacements in post acute settings ($2.4 billion)
- The Administration also proposed an overall Medicare spending cap, which, if exceeded, would require automatic across-the-board cuts to all provider payments that could be significant.

“Medicare payment cuts of this magnitude will be vigorously opposed by Wisconsin hospitals,” said WHA President Steve Brenton. “Most Wisconsin hospitals already subsidize Medicare losses by shifting those losses to commercial payers. That trend is not sustainable and contributes to escalating private sector insurance premiums.”

In addition to Medicare and Medicaid cuts, the President’s proposed budget contains about $133 million in cuts to rural health programs administered by the Department of Health and Human Services’ Health Resources and Services Administration. Among the proposed cuts, funding for rural flexibility grants would be eliminated, down from $64 million in funding this year; and rural health outreach funding would decline to $10 million from $39 million this year.

WHA Bill to Exempt Interest on WHEFA Bonds for IT Purchases Advances

On February 8, the Senate Health Committee passed a WHA-backed bill, SB 534 authored by Sen. Carol Roessler (R-Oshkosh), out of committee on a unanimous 5-0 vote. Last fall, its Assembly counterpart AB 493 authored by Rep. Gregg Underheim (R-Oshkosh) also passed out of the Assembly Health Committee on a unanimous 9-0 vote.

The bill would create an individual and corporate tax exemption for interest on bonds or loans issued by the Wisconsin Health and Educational Facilities Authority (WHEFA) if the proceeds are used to purchase information technology equipment. Currently, the interest on WHEFA bonds is exempt from federal income tax, but not state income tax. According to WHEFA, 47 other states go further and exempt bonds issued by in-state health care facilities from taxation.

WHA Vice President of Government Affairs Jodi Bloch testified in support of SB 534 before the Committee this week, describing how “these bills are components of Healthier Choices, a health reform proposal unveiled two years ago by WHA, the Wisconsin Manufacturers and Commerce and the Wisconsin Association of Health Plans, which identified cost drivers of health care and workable solutions in six key areas, including promoting quality through advances in technology.”

In addition, Bloch commented that, “this bill is much in line with the Legislature and the Governor’s goals to advance quality improvement efforts through encouraging the use of technology, particularly in the area of electronic medical records. These bills could make purchasing advanced technologies like CPOE and electronic medical record technologies more affordable, particularly for rural hospitals.”
Grassroots Advocates Tell Governor, Legislators: Restore Liability Cap

A legislator’s visit to Holy Family Memorial (HFM) in Manitowoc and a correspondence from a grassroots advocate in Southeastern Wisconsin to Governor Doyle are just two of the many examples of how hospital advocates are making their voices heard on the need to restore a medical liability cap in Wisconsin.

Holy Family Memorial invited State Rep. Bob Ziegelbauer (D-Manitowoc) to HFM specifically to discuss the need to restore a cap. During the discussion, Rep. Ziegelbauer indicated he felt an indexed cap was important but that it ought to be set at a level where it neither causes the exodus of physicians from Wisconsin nor discourages legitimate cases. HFM was able to discuss with Rep. Ziegelbauer the impact that an uncapped liability environment has on their facility and across the state. HFM urged Ziegelbauer to support a $750,000 cap and do everything he could to ensure legislation was passed this spring before the Legislature adjourns. WHA is advocating a clean $750,000 cap with no indexing.

Having already lived through what happened in Illinois, another grassroots advocate felt so compelled on this issue that he wrote Governor Doyle to urge his active participation in restoring a liability cap. “I am writing to you to offer a plea to please start moving on placing non-economic caps on medical malpractice claims,” the correspondence began.

“My wife...practices in Southeastern Wisconsin and has many friends who are doctors who also came from Illinois to practice because of the medical liability environment,” he continued. “Many are now concerned that they will have to move to a different state.”

In closing, he urged Governor Doyle to “be a leader” and “do the right thing” by working with the Senate and Assembly to “get this problem solved...before the state has a medical liability crisis.”

Has your hospital been involved in grassroots advocacy on restoring a cap on medical liability or other important issues? HEAT is always interested in hearing from you! Contact Jenny Boese at 608-268-1816 or at jboese@wha.org so WHA can showcase your efforts in The Valued Voice!

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Next stop for the bills is a hearing in the Joint Finance Committee where legislation that has a financial impact on the state is referred to for further fiscal analysis. If the bills receive JFC approval, they will be eligible for a vote in each of the houses in the Legislature.

WHA would like to thank the sponsors who are also the chairs of the health committees in their respective houses, Rep. Gregg Underheim (R-Oshkosh) and Sen. Carol Roessler (R-Oshkosh). WHA would also like to extend thanks to WHEFA for supporting this initiative. Contact WHA’s Jodi Bloch for more information at jbloch@wha.org or 608/274-1820.
Other States Look to WHA for Transparency Solutions

Across the country, consumers and policy makers are demanding useful health care information for decision-making and greater transparency in pricing and quality. As state hospital associations gear up to meet - and even stay ahead of - those demands, a number of them are looking to WHA.

WHA has taken a proactive approach to health care transparency with its CheckPoint and PricePoint initiatives. CheckPoint has been on line for three years, and PricePoint will be celebrating its first anniversary in February. Both CheckPoint and PricePoint are regarded as the “go to” sites for quality and pricing information on Wisconsin hospitals. Because of our demonstrated success, other state hospital associations are looking to CheckPoint and PricePoint as answers to the demands being placed on them in the transparency arena.

The Oregon Association of Hospitals and Health Systems (OAHHS) licensed PricePoint last year to answer challenges surrounding health care costs and hospital pricing. A number of bills had been introduced in the state legislature to establish a regulatory hospital rate setting process. OAHHS was able to fight off the legislation by taking a proactive stance on pricing transparency and was able to demonstrate that commitment by quickly implementing PricePoint.

The response to Oregon PricePoint in the press and from policy makers has been very positive. The State of Oregon’s “eGov” Web site has Oregon PricePoint prominently displayed as an important source for health care consumers. The Oregon Health Policy Commission, which is charged with developing and monitoring Oregon’s health system, has embraced PricePoint as one solution to hospital pricing transparency. “Great Boards,” a publication for hospital board members, highlighted Oregon PricePoint in its May 2005 issue, saying, “This site is an educational step forward.” Finally, Oregon PricePoint has been mentioned in numerous articles in the Oregon press. Oregon PricePoint can be found at www.orpricepoint.org.

The New Mexico Hospitals and Health Systems Association (NMHHSA) recently unveiled its version of CheckPoint, which was licensed from WHA. NMHHSA was facing an environment similar to that in Oregon, where the Legislature asked the hospital industry to develop “a process for informing the public about hospital charges, hospital quality and annual increases in hospital charges.” Numerous articles about the NMHHSA CheckPoint Web site have been printed in newspapers such as the Albuquerque Journal and The Santa Fe New Mexican. In the near future, NMHHSA will also be licensing WHA’s PricePoint. New Mexico’s CheckPoint Web address is www.nmcheckpoint.org.

WHA is also in discussions with a number of other state hospital associations regarding CheckPoint and PricePoint. “We are proud of our national leadership position in health care transparency,” said George Quinn, WHA senior vice president, “and we are pleased that others have found CheckPoint and PricePoint to be useful in meeting their needs.”

WHA’s Physician Leadership Development Conference
March 24-25, 2006 at The American Club in Kohler

For Wisconsin physicians new to a leadership role or those with the potential to be physician leaders in your organization

February 15 is the last chance to register for the Early Bird Discount!
Get more information at www.wha.org or by contacting Sherry Rabuck at 608-274-1820.
Register Soon for WHA Community Benefits Training Seminar

Training to focus on collection, reporting of data

More than 100 people representing 54 hospitals have registered to attend one of the three WHA community benefits training seminars in March. WHA will hold training sessions at no cost to members in three locations:

- March 22 – Olympia Resort, Oconomowoc
- March 23 – The Plaza Hotel & Suites, Eau Claire
- March 24 – Holiday Inn, Stevens Point

Participants will learn how to identify, collect and quantify community benefit activities and then report them to WHA using a new online survey instrument. Another important communication vehicle in illustrating hospital community benefits is by relating how hospitals have touched the lives of those they serve. These stories will be used in the statewide report, as well as in several WHA publications to ensure that the public, legislators and the press know the vital difference hospitals can make in the lives of those they serve.

The following hospitals have registered to attend:

- Agnesian HealthCare, Fond du Lac
- Aurora Health Care, Milwaukee
- Baldwin Area Medical Center, Baldwin
- Bay Area Medical Center, Marinette
- Beloit Memorial Hospital, Beloit
- Black River Memorial Hospital, Black River Falls
- Bloomer Memorial Medical Center, Bloomer
- Burnett Medical Center, Grantsburg
- Columbia St. Mary’s, Milwaukee
- Community Memorial Hospital, Menomonie Falls
- Community Memorial Hospital, Inc., Oconto Falls
- Covenant Healthcare, Inc., Milwaukee
- Cumberland Memorial Hospital, Inc., Cumberland
- Divine Savior Healthcare, Portage
- Door County Memorial Hospital, Sturgeon Bay
- Fort HealthCare, Fort Atkinson
- Froedtert Memorial Lutheran Hospital, Milwaukee
- Gundersen Lutheran, La Crosse
- Hayward Area Memorial Hospital, Hayward
- Holy Family Hospital, New Richmond
- Holy Family Memorial, Inc., Manitowoc
- Hudson Hospital, Hudson
- Luther Midelfort, Eau Claire
- Memorial Health Center, Medford
- Memorial Medical Center, Ashland
- Memorial Medical Center, Neillsville
- Ministry Health Care, Milwaukee
- Monroe Clinic, Monroe
- Moundview Memorial Hospital and Clinics, Inc., Friendship
- Oconomowoc Memorial Hospital, Oconomowoc
- Orthopaedic Hospital of Wisconsin, Glendale
- Osceola Medical Center, Osceola
- ProHealth Care, Inc., Waukesha
- Red Cedar Medical Center, Menomonie
- Reedsburg Area Medical Center, Reedsburg
- Riverview Hospital Association, Wisconsin Rapids
- Sacred Heart Hospital, Eau Claire
- Sauk Prairie Memorial Hospital, Prairie du Sac
- Shawano Medical Center, Shawano
- Southwest Health Center, Platteville
- SSM Health Care of Wisconsin, Madison
- St. Clare Hospital and Health Services, Baraboo
- St. Joseph’s Hospital, Chippewa Falls
- St. Marys Hospital Medical Center, Madison
- St. Michael Hospital, Milwaukee
- St. Nicholas Hospital, Sheboygan
- St. Vincent Hospital, Green Bay
- Stoughton Hospital, Stoughton
- SynergyHealth, Inc., West Bend
- Upland Hills Health, Dodgeville
- UW Hospital & Clinics, Madison
- Waukesha Memorial Hospital, Waukesha

WHA recommends that at least one representative from each hospital register to attend this complimentary training; additional registered attendees are welcome. Attendees who will benefit from the training include community and public relations professionals, chief executive officers, and others involved in the collection or distribution of community benefits information.

The seminar brochure is available at www.wha.org. For more information on registration, contact Sherry Rabuck at 608-274-1820 or email srabuck@wha.org. For more information on the program content, contact Jennifer Frank at jfrank@wha.org.
Stories From Our Hospitals

Hospitals not only have not a mission to improve the health of the communities, but they also strive to create a better quality of life for those they serve. Columbia St. Mary’s has devoted an entire section of their Web site (www.columbia-stmarys.org) to listing programs and services that are designed to address a need in their community. In addition to their community impact statement, the Web site also features real life stories of how their care and concern for others has touched and, in some cases, changed the course of people’s lives.

**Huiras Family Ozaukee Community Health Clinic: Patient Turnarounds**

The Huiras Family Ozaukee Community Health Clinic provides ongoing care to many patients with chronic and complex diseases. Often it is difficult to see the full impact of our work, but occasionally we see patients who make clear and dramatic turnarounds in their health because of the Clinic. Two such stories show the impact of skillful diagnostics and treatment available to all.

Shelly was a middle-aged woman who worked hard as an in-home caregiver and as a beautician. Unfortunately, neither of these service-industry jobs provided health coverage. When she began to have fluid retention problems, she knew she needed medical help. She came to the Clinic and was diagnosed with severe kidney failure. She was helped to receive fairly expensive medication and now is in full remission. As her health returned, Shelly was able to gain employment in a job with health coverage. She no longer needs the services of the Clinic, but her life is much better for the service she did receive.

John, an uninsured man in his twenties, came to the Clinic for what he was sure was just a chest cold. Since Clinic clients receive the same attention to detail and quality of care as any Columbia St. Mary’s patient, his physician was careful to make a complete diagnosis. John’s symptoms were not consistent with a simple chest cold and he was sent to a pulmonologist for further work-up. A bronchoscopy helped to diagnose a rare fungal infection, which required six months of antifungal medication. John was helped to apply for pharmaceutical charity programs to cover the cost. He did make a full recovery from what could have been a disabling or fatal condition. The service provided by the Huiras Family Ozaukee Community Health Clinic made a profound difference in his life.

**Columbia St. Mary’s Community Impact Statement**

CSM provides for the health of the community through financial support provided to patients by financial discounts and contracts, by developing clinics and services for specific vulnerable groups, by sponsoring community education and training and by collaborating with government programs. In financial terms, the value of these services exceeded $30.2 million in fiscal year 2005. In personal and spiritual terms, the value of the programs is immeasurable as people are helped to receive health care and heal with the support of family members and the community.

**Programs and Stories**

The Mission of CSM and the “passion for patient care” provided by CSM physicians, volunteers and staff is best seen through descriptions of the many special programs to serve vulnerable people in our community. Ten programs are highlighted through links to a brief description as well as one or two stories that help to show the program’s impact on individuals and the community as a whole.

Submit hospital community benefit stories to Mary Kay Grasmick, editor, mgrasmick@wha.org or call 608-274-1820.
WHA Senior Vice President Eric Borgerding said there is an urgency to restore a cap before the availability of medical services further deteriorates in the state, as it has in other states such as Illinois and Oregon.

“Trial attorneys are clearly taking advantage of life after the cap with seminars on how to ‘get the million dollar award,’” Borgerding stated. “In the decade during the cap, there were only nine occasions when juries delivered verdicts that exceeded the cap. Since the cap was dropped in July, we have had four awards in just six months that exceeded the former cap, including a massive $8.4 million verdict in Dane County last week. Clearly, things are changing in Wisconsin.”

Borgerding said WHA will continue to maintain a “drumbeat” of communications around medical liability with the Legislature, Governor Doyle, and the public. WHA President Steve Brenton said the Association will emphasize in its messages that Wisconsin communities must have access to physicians, and that access is jeopardized if pain and suffering awards drive physicians out of the state and discourage new physicians from locating in Wisconsin.

Greg Britton, CEO, Beloit Memorial Hospital, expressed his concern to Speaker Gard that his hospital has successfully drawn physicians from Illinois because they were in a medical liability crisis. Now, since the Illinois Legislature capped non-economic damages, Britton fears a sharp reversal.

Speaker Gard was an attentive listener, clearly frustrated by the situation he sees unfolding in Wisconsin. “It is not lost on us that we need to close this window as soon as possible. There are multiple ways to do it, and we are trying to do it the right way,” he said in closing.

Following the discussion on medical liability with Speaker Gard, Borgerding reviewed other legislative priorities currently in play, including peer review legislation, also known as the Health Care Quality Improvement Act. Following hearings in both the Assembly and the Senate, legislation is moving forward that will modernize the current peer review statute and ensure that data collected and analyzed for the purpose of quality improvement would be protected as Wisconsin hospitals continue to advance the transparency agenda (see related Valued Voice story).

Two other bills backed by WHA would restore both the hospital outpatient and nursing home reimbursement increases that were vetoed in the state budget by Governor Doyle.

During his report, WHA President Steve Brenton presented the Association’s 2006 Goals, organized by priority. He noted that WHA council work plan priorities are embedded in the goals. The Board approved the WHA 2006 Goals as presented.

Chuck Shabino, MD, WHA medical advisor, reporting on behalf of the WHA Medical and Professional Affairs Council, asked the Board to approve a recommendation from the Council to continue to develop a voluntary Wisconsin hospital adverse event reporting system. The Board approved the request and asked the Council to continue to work with the Minnesota Hospital Association in developing a system that would help hospitals’ efforts to improve the quality and safety of the care they provide to patients.

WHA Senior Vice President George Quinn presented the WHA Financial Solutions budget for 2006, which met with Board approval. Quinn said WHA Financial Solutions has achieved a solid bottom line and is able to return a level of support to the Association that allows WHA to continue to expand the range of services provided to its members, without significant dues increases.
Other legislators concurred with Rep. Underheim. Senator Ron Brown said that he wholeheartedly agreed that without protection, “we won’t have quality improvement.”

Senate Committee on Health, Children, Families, Aging and Long-Term Care Chairperson Carol Roessler applauded the effort to allow people to share quality improvement information across the entire health care organization.

These comments were echoed in prepared comments by Senator Ted Kanavas for the Senate hearing. “We all talk about the need to make health care more efficient, and in turn ensure that patient safety continues to be a top priority. This bill can, and will, help make that a reality.” Senator Kanavas is the lead sponsor of Senate Bill 578.

A strong contingent of representatives from hospitals across the state provided excellent testimony at the hearings and explained the importance of the legislation.

James Ketterhagen, MD, senior vice president and chief medical officer for Covenant Healthcare System, testified that the Health Care Quality Improvement Act provides the assurances health care providers need to feel comfortable that their participation in quality improvement will not be used to facilitate a lawsuit against them.

“SB 578 and AB 993 are necessary components to a broader effort that will ensure hospitals and health care providers continue their participation in quality improvement activities and public reporting of data. These initiatives are important because they serve to advance quality improvement, patient safety and transparency efforts in this state,” said Ketterhagen.

Karen Kiel-Rosser, vice president quality improvement for Agnesian HealthCare in Fond du Lac, explained to both committees that the Quality Improvement Act is “a win-win for providers and patients.”

“Wisconsin law needs to be updated in order to meet the current demands of the public for the reporting of quality and patient safety related initiatives,” Kiel-Rosser testified. “Furthermore, it will provide the certainty health care providers need in order to advance quality improvement, patient safety, and transparency efforts in Wisconsin.”

Ralph Topinka, vice president and general counsel for Mercy Health System, has been a key resource in the development of the Health Care Quality Improvement Act, and he also provided testimony on February 8.

“Over the 25 years that I have worked with health care providers in Wisconsin, I have observed and have had personal experience with the more restrictive interpretations given to the [current peer review law] and what information the statute protects. This development is not consistent with promotion of a robust and blame-free quality improvement process. [The Health Care Quality Improvement Act] will go a long way toward correcting the situation,” testified Topinka.

Kristen Albers, director of quality resources at Meriter Hospital, testified to “the importance of a strong quality improvement review process that provides the protection needed to make all participants comfortable in participating openly and honestly.”

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population ages and requires more medical services. Close to 30 percent of the doctors now practicing in Wisconsin are approaching retirement, and it appears new physicians to replace them are slow in coming. Adding to the concern is the fact that recruitment efforts have been further hindered by the loss of the cap on awards associated with pain and suffering in cases involving medical liability. States without caps are viewed as less desirable places to practice by physicians because of their high insurance premiums. When more physicians are leaving a state than are coming in, it quickly turns into a medical access crisis for residents of that state.

Eric Borgerding, senior vice president of the Wisconsin Hospital Association, called the recently released statistics from the Wisconsin Office of Rural Health extremely “alarming” in light of the fact that Wisconsin has lost its previously favorable medical liability environment.

“In the best of times, it is not easy to recruit a physician, especially to inner city or rural locations in Wisconsin,” Borgerding noted. “But our favorable medical liability climate was one of the important advantages we could tout over many other states. With the cap gone, that key advantage is also lost.”

According to data from the Wisconsin Office of Rural Health Physician Placement Program, there are currently 320 openings: 166 specialist and 154 primary care physicians. In primary care alone the number of vacancies has grown from 112 in February 2003 to 156 in February 2006, a 39 percent increase in three years. Since 1979 not-for-profit physician recruitment services have been provided through the Wisconsin Office of Rural Health, which is affiliated with the University of Wisconsin School of Medicine and Public Health. It is one of the oldest and most successful physician placement services of its type in the nation.

“There are two things the Governor and Legislature can do right now to help address this situation,” Borgerding said. “First and foremost, they must restore a cap on non-economic damages in this legislative session. Waiting until 2007 is not an option.”

WHA also called on the Legislature and Governor to enact Assembly Bill 976 — legislation authored by Rep. Jeffrey Mursau (R-Crivitz) that would create a loan forgiveness program for Wisconsin residents attending medical school in Wisconsin that agree to stay here and practice in a rural area upon graduation.

Maintaining a favorable medical liability environment and providing loan repayment for physicians locating in underserved areas were two key recommendations contained in a 2004 report, “Who Will Care for Our Patients,” issued jointly by the Wisconsin Hospital Association and the Wisconsin Medical Society.

NOTE: For physician vacancy numbers by region, see: www.worh.org/index.asp. For more information on the medical liability issue, see: www.wha.org.
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✓ The Monroe Clinic (Monroe) – Monroe’s CEO, Mike Sanders, has ramped up the grassroots efforts at his facility this past year. From inviting WHA’s grassroots advocacy program HEAT (Hospitals Education & Advocacy Team) to present to the leadership team to personally meeting with local legislators on important issues, Sanders and his staff understand the value of engaging at the grassroots.

✓ Meriter Hospital (Madison) – Led by CEO Terri Potter and Director of Government Relations Liz Schumacher, Meriter’s grassroots advocacy efforts have been a constant voice on behalf of hospitals to metro-Madison area legislators. Through legislative breakfasts where employees discuss current issues with legislators or with face-to-face meetings on public policy issues, Meriter employees are definitely making their voices heard.

WHA is now asking you to use your grassroots power as constituents and as community leaders to help restore a medical liability cap and to pass the Health Care Quality Improvement Act.

Medical Liability
Almost immediately after the cap was overturned last July, Wisconsin hospitals, doctors and patients began to quickly see just how negative that decision’s impact would be on our ability to attract and retain physicians and provide access to care to all residents:

✓ $8.4 million verdict ($4.25 were non-economic damages) in Dane County,
✓ 25 percent increase in assessments hospitals/doctors must pay into the Injured Patients and Families Compensation Fund,
✓ Examples of physician recruits declining or removing themselves from consideration for open positions,
✓ 22 percent increase in the number of million dollar cases filed in the last six months of 2005,
✓ Seminars like the Milwaukee Bar Association’s, “Life After Caps: How to Get the Most Money for Your Clients,” which includes tips on how “to get the million dollar verdict.”

Urge your lawmakers to support an effective ($750,000) liability cap and get it done this session — we cannot wait until 2007.

Health Care Quality Improvement Act
The Senate’s Health Committee held a public hearing this week on the Health Care Quality Improvement Act, Senate Bill 578 and AB 993. Let your legislators know that you want to improve the quality and patient safety review activities of your hospital but that current peer review protections need to be modernized. Urge your legislators to support and move quickly on Senate Bill 578 and AB 993.

We know there is so much Wisconsin hospitals are doing to impact these and other issues, and we appreciate and recognize your efforts. Together, we will get this done!