On June 14, Mississippi trial attorney Richard Scruggs, through Milwaukee counsel, filed lawsuits against three Milwaukee health systems—Covenant, Aurora, and Froedtert. WHA responded immediately by issuing the following statement to the Milwaukee Journal Sentinel, the Milwaukee Associated Press, and to the Business Journal in Milwaukee. As you know, Scruggs has filed lawsuits against hospitals across the nation in federal court; most have been thrown out. Having failed at the federal level, he is now filing actions in state courts. Below is WHA’s response. The Milwaukee Journal Sentinel article is in this week’s packet.

**WHA Responds to Scruggs Lawsuits Filed Against Wisconsin Hospitals**

**MADISON (June 14, 2005) —** The Wisconsin Hospital Association learned this afternoon that lawsuits have been filed against three Milwaukee area hospitals by a group of plaintiffs’ attorneys, including Richard Scruggs, a Mississippi lawyer who has filed almost identical suits against hospitals nationwide.

WHA President Steve Brenton issued the following statement regarding the filing of these lawsuits.

“These cookie cutter lawsuits have been filed across the country, promoted by Mississippi trial attorney Richard Scruggs. These three complaints represent nothing more than copycat lawsuits filed by Milwaukee counsel.

Wisconsin hospitals have an enviable track record of providing uncompensated care in their communities. On a daily basis, Wisconsin hospitals provide free or largely subsidized care to 2,315 patients, serving as the ultimate statewide health safety net. The community benefit comes with a significant price tag...$496 million per year, a 10 percent increase from the previous year. This is hardly indicative of price gouging the uninsured.

We are disappointed that Wisconsin hospitals will have to devote scarce resources to fighting nuisance lawsuits. Time and resources are better spent on patient care.”

**Wisconsin Hospitals PAC and Conduit Giving Continues to Climb**

Individuals from hospitals in every corner of the state are stepping up to the plate and contributing to the Wisconsin Hospitals PAC and Conduit fundraising campaign. To date, nearly $84,000 has been raised by over a third of our members. That is almost halfway (47 percent) to the 2005 campaign goal of raising at least $175,000. WHA and subsidiary staff continues to recognize the importance of contributing to these political action funds and in the past have hit a home run in raising money for this campaign. Last year alone, 80 percent of staff members raised almost $19,000 and individuals have pledged in 2005 to raise $20,000.

Over half of the individual contributors this year are members of the newly created Silver “H” Club because they have contributed $250 or more to Wisconsin Hospitals PAC, Conduit or AHAPAC. Also remember that the Gold “H” Club is designed to recognize hospital leaders whose staff and volunteers meet a larger staff wide goal of raising 15 percent more than the previous year. Silver and Gold “H” Club individual member names will begin being published in *The Valued Voice* on a regular basis and at events throughout the year.  

(continued on page 7)
Wisconsin Hospital Association President Steve Brenton told the WHA Board of Directors at its June 16 meeting in Fitchburg that a federal audit challenge to family residency programs in the Fox River Valley has the potential to spread to other family residency programs in the state. WHA is working with members of Wisconsin’s Congressional Delegation who, in turn, are dealing with CMS officials to fix regulatory issues that threaten the program.

“The threat to the family residency program in Wisconsin is a major issue because we know that residents tend to stay in the area where they train,” Brenton said. “To reduce slots in this program, or worse, eliminate them, will severely limit Wisconsin’s ability to attract and retain physicians.”

Also on the federal level, the limitations on new construction by Critical Access Hospitals (CAH) that are being proposed by CMS are of great concern to WHA. Brenton said WHA is working with the Rural Wisconsin Health Cooperative and the AHA to roll back rules that basically ban new construction.

Tim Size, executive director of the Rural Wisconsin Health Cooperative, said it constitutes an “out and out ban” on construction for current CAHs, many of which are located in downtown areas, which makes expansion on existing sites impossible.

Mary Starmann-Harrison, WHA chair-elect, outlined the board planning session that will be held in July and said the Board will revisit the transparency theme. During the planning session, the Board will also discuss the issue of hospital community benefits, which Brenton labeled “the next transparency initiative.”

WHA Information Center Vice President Joe Kachelski presented an overview of the Information Center operations over the past year, crediting much of the success to the talent and dedication of an “excellent staff.”

“The WHAIC staff has established credibility with the hospitals, who are both our customers and suppliers,” Kachelski offered. “And, we are doing the job that the Bureau of Health Information (BHI) did for $1 million less in operational costs.”

Survey responses from both data submitters and users have shown that WHAIC is also outperforming BHI in customer service, helping to establish WHAIC as “the respected source for health care data.”

WHA Senior Vice President Eric Borgerding reported that overall, the WHA Board should be pleased with the state budget approved by the Joint Finance Committee. The budget will now go to the legislature for action. Borgerding said while there were certainly some disappointments for Wisconsin hospitals, they were more than balanced by the successes. (For more detail, see Borgerding’s Guest Column in this week’s issue of The Valued Voice).

George Quinn, WHA senior vice president, said WHA held a focus group of rural hospital administrators to discuss the national public reporting program, Hospital Compare, and to get feedback on CheckPoint. The group identified issues with the Hospital Compare Web site, and also discussed benefits and offered potential changes to the CheckPoint Web site.

Dana Richardson, WHA vice president of quality, told the Board that the common portal for CheckPoint and the Wisconsin Collaborative for Healthcare Quality (WCHQ) is complete. A Leadership Circle composed of WHA and WCHQ members will continue to identify areas for future collaboration.
Paying for Medicaid, and with “Real Money”

By Eric Borgerding, WHA Senior Vice President

As the state budget winds towards a welcome conclusion, some critics are decrying the fact that the Medicaid budget was crafted at the expense of “cuts” to other programs – namely public education. Here are a few questions the critics need to answer.

Are critics upset that the Joint Finance Committee (JFC) passed a budget that includes no cuts to BadgerCare, Medicaid or SeniorCare enrollment or eligibility? The Governor’s budget included no such cuts, but many were certain this would change in Joint Finance. So certain that the press releases ready to pounce on these “heartless” cuts were literally being drafted. As we all now know, these cuts never materialized.

Are critics upset that bonding, provider taxes and transfers were rejected as one-time funding sources for ongoing Medicaid costs? From the perspective of hospitals that must treat everyone regardless of payment, one-time money is better than no-time money or more cuts – and policymakers know that. Frankly, this has been the unstated Medicaid policy for too many budgets. That short sighted action has resulted in ongoing structural deficits, some of the worst provider payment rates in the country, and massive cost-shifting to the private sector. Kudos to Joint Finance for putting real money into Medicaid and providing a modest increase in hospital reimbursement rates.

Are critics upset that Joint Finance passed a Medicaid package unanimously, on a bipartisan vote of 16 to zero? In the eight biennial budget bills I have witnessed, this has NEVER HAPPENED. Did those supporting the Medicaid package think that money was coming from underneath the mattress? I don’t think so. All 16 members of the Committee are to be commended for this unprecedented, bipartisan statement on the priority of paying for Medicaid.

For hospitals, the JFC budget includes the first general purpose revenue (GPR) increase for reimbursement rates in many years. Many hospitals will now be paid a little more — a little more than $94 dollars for outpatient surgeries that cost thousands to perform. The budget also includes significant restoration of the devastated Graduate Medical Education (GME) program. Both are welcome and appreciated progress. That these improvements are funded with ongoing, base GPR dollars – rather than intergovernmental transfers, provider taxes, or some other temporary mechanism – is equally significant.

Yes, K-12 funding is an important priority (I have three of my own little reasons to know why), but to suggest that not one dime of additional GPR should go to the Medicaid program as long as K-12 is getting an increase of $850 million GPR (now only $450 million) makes us ask the question – when will Medicaid be a GPR priority?

WHA believes that if we truly have two important competing funding priorities in this state – K-12 and Medicaid – the answer lies in raising the user fee/tax on smoking and dedicating that revenue to health care programs like Medicaid. WHA was one of the leaders in that effort, but the political will simply was not there – not from the East, South or West wings.

And so we are back to the same question – at what point is Medicaid allowed to become a GPR priority? At what point will the state pay for the health care programs it creates, expands and touts with real money, rather than using one-time funding sources, assuring deficits in the future and continuing to allow the real costs to be shifted to the private sector?

The dueling versions of the budget provide two different answers to that question. WHA believes that when the budget bill is signed into law, Medicaid must remain a GPR priority.

Kudos to Joint Finance for putting real money into Medicaid and providing a modest increase in hospital reimbursement rates.
Grassroots Spotlight

Have Program, Will Travel!

**HEAT takes its grassroots show on the road!**

With the creation of WHA’s Hospitals Education & Advocacy Team (HEAT) in March came its first major grassroots campaign – WHA’s Medicaid Downpayment Plan in the state budget bill. Although a final vote by the Senate and Assembly on the budget bill is pending right now, the preliminary outcomes for HEAT’s grassroots campaign are good, such as:

- **1,800 individual contacts** via email, letter or phone to legislators by hospital employees or auxilians.
- **150 legislative visits** by hospital employees or auxilians during WHA’s Advocacy Day and **dozens of additional hospital-legislative visits** (outside of those at Advocacy Day) held throughout the state.

However, if only hospitals across Wisconsin knew how much more they could do! That is why HEAT is taking its grassroots show on the road.

Learn from Jenny Boese, WHA’s vice president of external relations & member advocacy, what your hospital can do to become even more informed and involved on issues that impact your hospital and the communities you serve.

“Each hospital can play such a vital role in the legislative process,” said Boese. “Legislators will even tell you there simply is no substitute for your understanding of health care issues and your real-life hospital experiences; however, you have to be the one to give them that information.”

This won’t be your typical “how a bill becomes a law” course, however. Be prepared to hear about how the legislative process really works through behind-the-scenes examples. Find out what other legislative resources are available to you and then learn practical grassroots applications you can use to become informed and involved on behalf of your hospital and hospitals statewide.

This program allows your hospital’s employees and auxilians to understand how legislative and political realities in Madison and DC drive health care policies and what you can do to positively impact that! Whether you’re an old hat or a novice at the legislative process, this program is for you!

Call Jenny Boese today to schedule a HEAT program in your hospital, 608-268-1816 or jboese@wha.org.

“It has been said, legislators’ knowledge base is two miles wide and two inches deep…[as a legislator] give me ammunition, facts and figures, and examples…that’s very valuable.”

- Rep. Steve Wieckert, April 2005

Member News: Spooner Celebrates 50th Anniversary

Spoonier Health System hosted a community picnic on June 11 in celebration of “50 Years of Caring.” Rep. Mary Hubler (D-Rice Lake) and Sen. Robert Jauch (D-Poplar) (pictured at right) present Spooner Health System CEO Michael Schafer with a Citation By The Assembly “congratulating and commending Spooner Health System on its 50th anniversary.”
WHA Closes Sale on Former Headquarters Building on Odana Road

The sale of WHA’s former headquarters located on Odana Road closed on June 15. WHA President Steve Brenton said the proceeds of the sale will be invested and become part of the Association’s reserves.

Watch for a special publication in the July 1 packet that will include historical highlights from 1970 - 2004, which covers WHA’s tenure on Odana Road.

Quality and Safety Improvement Projects Due July 1

New for 2005: all projects must be submitted online at www.wha.org/QSFshowcase

This is the final reminder of the July 1 deadline to submit your quality and safety improvement projects for inclusion in the 2005 Wisconsin Quality & Safety Forum Project Showcase. Only those projects submitted by July 1 will be eligible to participate in the Project Showcase, included on the CD-ROM of all submitted projects, and considered for offering a breakout presentation focused on your project.

New for 2005 is the online submission process. Showcase project submissions will only be accepted via completion of the new online submission form at www.wha.org/QSFshowcase. The online form is currently available, and all submissions are due to WHA, via the online form, by July 1, 2005. For questions about project submission, contact Brian Competente at 608-274-1820 or bcompetente@wha.org.

Projects that have not previously been submitted are eligible, as are new phases of a previously submitted project. A full project submission brochure, describing all submission criteria, is available on WHA’s Web site at www.wha.org.

A full agenda and registration information for the 2005 Forum, scheduled for October 17-18 in Appleton, will be distributed in August. If you have any questions about the 2005 Wisconsin Quality & Safety Forum, please contact Dana Richardson or Jennifer Frank at 608-274-1820, or via email at drichardson@wha.org or jfrank@wha.org.

“Medicare 101” Overview Seminar Offered July 14

On July 14, WHA will offer a seminar designed specifically for hospital staff who need to understand the fundamentals of the various Medicare hospital payment systems, including cost-based, prospective and fee schedule systems. This may include staff in the areas of public relations and communications, government relations, health information management, finance, and board of trustee members.

Each participant will receive a 140-page reference manual, Medicare 101: An Overview of Medicare Payment Systems. This invaluable manual contains information on provider reimbursement rules for each Medicare program area and examples of reimbursement. Additional manuals may also be purchased.

The seminar will be held on July 14, 2005, from 10 am to 2:30 pm at Stoney Creek Inn in Mosinee. A brochure and a registration form are included in this week’s packet and on the Web site at www.wha.org.

This program is offered in cooperation with Hospital Financial Management Association of Wisconsin, Wisconsin Forum for Healthcare Strategy, and the Wisconsin Healthcare Public Relations and Marketing Society. For more information on the program content, contact Jennifer Frank at 608-274-1820 or email jfrank@wha.org. For registration questions, contact Sherry Rabuck at 608-274-1820 or email srabuck@wha.org.
Saving 100,000 Lives By June 2006

Seven Wisconsin health care organizations have come together to form what is referred to as a “node” in the Institute for Healthcare Improvement’s (IHI) 100,000 Lives Campaign. Organized by MetaStar, the node will disseminate improvement tools and provide support to health care providers throughout Wisconsin as they seek to improve the care provided to Wisconsin patients. Joining MetaStar in the node are the Pharmacy Society of Wisconsin, Rural Wisconsin Health Cooperative, Wisconsin Hospital Association, Wisconsin Medical Society, Wisconsin Nurses Association, and Wisconsin Organization of Nurse Executives.

The 100,000 Lives Campaign aims to enlist thousands of hospitals across the country in a commitment to prevent unnecessary deaths through the implementation of six changes in health care. These changes and the Wisconsin node member taking the lead for each are:

- Acute Myocardial Infarction Care: MetaStar
- Prevention of Surgical Site Infections: MetaStar
- Prevention of Ventilator-Associated Pneumonia: MetaStar
- Prevention of Central Line Infections: MetaStar
- Medication Reconciliation: Pharmacy Society of Wisconsin and the Wisconsin Hospital Association
- Rapid Response Teams: Wisconsin Organization of Nurse Executives

Through the Rural Wisconsin Health Cooperative Roundtables, rural hospitals will have an opportunity to discuss interventions in various areas of the campaign.

The challenge put forth by IHI is to implement these changes in 18 months, from December 2004 to June 2006, to prevent 100,000 avoidable deaths. Wisconsin hospitals are not required to formally join the IHI 100,000 Lives Campaign to utilize the information that will be organized and distributed by the Wisconsin node.

For more information contact Dana Richardson at 608-274-1820 or drichardson@wha.org.

Nominations Now Accepted for 2005 Global Vision Award

Now is the time to honor one of your hospital’s community health projects, by nominating it for a 2005 Global Vision Community Partnership Award, presented by the WHA Foundation.

This grant award is presented to a community health initiative that successfully addresses a documented community health need. The Award, launched by the WHA Foundation in 1993, seeks to recognize and support ongoing projects that support community health.

Any WHA member can nominate a community health project that has been in existence for a minimum of two years and is a collaborative or partnership project that includes a WHA member hospital and an organization(s) within the community.

You can find more information about the Award and the nomination process on the WHA Web site at www.wha.org/about/globalvision.aspx. Entries for the Global Vision Award must be received no later than 5 pm on August 26.

The Award will be presented at the WHA Annual Convention on September 22, 2005. For more information about the Award, contact Jennifer Frank at jfrank@wha.org or 608-274-1820.
Continued from page 1 . . . Wisconsin Hospitals PAC and Conduit Giving Continues to Climb

Thank you to the individuals from the following hospitals who have participated, but extra thanks goes out to the individuals from Aspirus, Aurora, Bay Area Medical Center, Meriter, SSM Health Care and Our Lady of Victory Hospital who have collectively raised substantial contributions or increased their contributions from last year significantly.

Agnesian Health Care
All Saints Health Care
Amery Regional Medical Center
Aspirus Wausau
Aurora
Aurora Bay Care
Aurora Health Care - Kettle Moraine Region
Aurora Health Care - South Region
Aurora Medical Center - Manitowoc
Aurora Sheboygan Memorial Medical Center
Bay Area Medical Center
Bellin Memorial Hospital
Bellin Psychiatric Center
Boscobel Area Health Care
Children’s Hospital of Wisconsin
Columbia St. Mary’s-Columbia Campus
Columbia St. Mary’s-Milwaukee Campus
Columbus Community Hospital
Flambeau Hospital
Holy Family Hospital
Holy Family Memorial Medical Center
Hudson Hospital
Lakeview Medical Center
Memorial Health Center
Memorial Medical Center
Meriter Hospital
Mile Bluff Medical Center
Ministry Health Care
Oconomowoc Memorial Hospital
Our Lady of Victory Hospital
ProHealth Care
Reedsburg Area Medical Center
Sacred Heart Hospital
Saint Joseph’s Hospital
Shawano Medical Center
Squier Hospital and Health Services
SSM Health Care-Wisconsin
St. Clare Hospital and Health Services
St. Mary’s Hospital Medical Center
St. Nicholas Hospital
St. Vincent Hospital
Tri-County Memorial Hospital
University of Wisconsin Hospital and Clinics
Waukesha Memorial Hospital
Waupun Memorial Hospital
West Allis Memorial Hospital
West Gate Medical Group
WHA and Subsidiaries