

Wisconsin Hospital Association, Inc.

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Wisconsin Hospitals' Statewide Community Impact Totals \$1.8 Billion

*Hospitals report over \$1 billion in Medicaid losses;
Spent \$229 million on physician and health professional education, training*

MADISON (November 22, 2017) ----- Memphis Zettler came into the world as a breech birth, the first of many medical issues he's faced in his young life. And while all kids are expensive, Memphis required multiple procedures and surgeries that initially were covered by BadgerCare. But when he became ineligible for that program, the family could not cover his medical expenses. That's when the hospital stepped in to help. Memphis's family applied and qualified for financial assistance. It was a relief to his very worried family.

Memphis's story repeats itself multiple times across the state, every day.

In 2016, Wisconsin hospitals reported spending nearly \$190 million in free care, a more than \$10 million increase over 2015, according to a new [report](#) from the [Wisconsin Hospital Association](#).

"While the ACA expanded coverage for thousands of people in our state, it did not eliminate the need for charity care," according to WHA President/CEO Eric Borgerding. "People still fall through the cracks. The unexpected happens. They lose their job, become very ill or require emergency care that they cannot afford. That's when hospitals and health systems step in and provide assistance to ensure their patients receive the care they need to resume as normal of a life as possible."

Hospitals lost more than \$1 billion caring for patients in the Medicaid program and lost \$1.7 billion on Medicare in 2016, according to the WHA 2017 Community Impact Report. Medicaid only pays hospitals about 65 percent of what it costs to care for this vulnerable, and often medically-complex, patient population. Medicare reimburses hospitals at a rate that is about 78 percent of cost.

Wisconsin hospitals use their resources to provide programs and services that support the people in their communities. These activities range from providing financial assistance to sponsoring free clinics, sponsoring health education opportunities, partnering with local employers to increase access to care, and working with other community organizations on complex socioeconomic issues.

"Wisconsin hospitals commit financial and human resources to improve the overall health status of the citizens of our state by providing essential services in their communities, which, if they were not available, would place a much greater burden on our state and local governments,"

according to Borgerding. “By doing this, Wisconsin hospitals and health systems support a health care ‘safety net’ across the state and ensure our most vulnerable populations receive the care they need.”

WHA surveys all of its member hospitals and health systems annually and asks them to describe and quantify the programs, services and activities they provide at or below cost, solely because those programs meet an identified health need in the community.

Hospitals Support Clinical and Graduate Medical Education

Workforce shortages are one of the most pressing issues facing Wisconsin hospitals. It is essential that hospitals have staff to provide critical services 24 hours a day, every day of the year. Hospitals are investing their own resources to ensure Wisconsin has the workforce in place to meet the growing demand for health care.

In 2016, hospitals spent \$187 million on graduate medical education for physicians and \$12.5 million on education and clinical experiences for nurses.

Hospitals Absorb More Than \$14 Million Loss Operating Nursing Homes

Keeping those who are elderly or in need of rehabilitation services in the community is one of the most valued and necessary services requested by patients and their families. In some communities, hospitals are the sole providers of those services. In 2016, the 15 hospitals that operated nursing homes reported losses totaling more than \$14 million, a \$2 million increase over 2015.

Hospitals Identify Community Health Needs, Develop and Implement Plans

Good health requires more than just health care. Hospitals are leading efforts to identify and prioritize community needs, and conducting formal community health needs assessments (CHNA) to assess, address and prioritize community health needs. While the formal process is new to some, the work is not. Improving the health of the entire community is at the heart of every hospital and health system’s mission.

While each hospital conducted a local CHNA, the types of problems identified across the state shared some similarities. Most of the hospitals identified several of the following as issues in their community: access to care, mental health, alcohol and drug abuse, nutrition, obesity, physical activity and tobacco. Hospitals reported spending \$68 million on activities and programs aimed at improving community health.

“Hospitals have never allowed the boundaries of their campus to restrict their engagement with the community,” according to Borgerding. “Hospitals use their human and financial resources to focus on factors that improve people’s health while creating a healthier environment that attracts new economic development and makes our state a great place to live and work.”

The [WHA 2017 Community Impact Report](#) has nearly 100 patient stories, including Memphis, and descriptions of free and reduced-cost services that hospitals provide in their communities.

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