

## **WHA on Track to Meet Goals; Board Approves Adding Two Physician Leaders *Endorses membership dues recommendation***



*WHA Board Members Cathy Jacobson, Mike Wallace; WHA President/CEO Eric Borgerding; WHA Board Members Therese Pandl, Steve Little and John Russell at the April 21, 2016 Board meeting.*

It may only be April, but WHA President/CEO Eric Borgerding said several of the goals and initiatives set for 2016 have already been successfully completed while several more are on track.

Presenting at the April 21 WHA Board meeting, Borgerding said progress continues to be made on WHA's top priority—Medicaid—and specific strategies are being employed. Currently, staff and members continue to educate legislators on how

Wisconsin's historically low reimbursement contributes to the hidden health care tax and cost-shifting to employers and private payers. Borgerding said WHA will convene its Medicaid working group, as it did two years ago, in advance of the next state budget. *(continued on page 5)*

## **Additional WHA Summaries of Recently-Passed Laws Now Available**



*The Valued Voice* recently reported that the WHA legal and government relations teams prepared for WHA members summaries of new laws passed during the 2015-16 Wisconsin legislative session that could impact Wisconsin's hospitals and health systems. WHA staff has prepared two additional summaries on the following laws:

- Acts 26 and 83 - Exemptions from State Credentialing Requirements for Emergency Service Providers
- Act 351 - Victim Advocate Accompaniment at a Hospital

These two new summaries, together with the summaries that have already been prepared, are intended to help WHA members better understand newly enacted legislation.

The summaries are for WHA members only and will not be generally accessible on the WHA website. The summaries are posted in the member's portal, which is accessible by clicking the "WHA Member's Only" icon located on the home page at [wha.org](http://wha.org). Once in the WHA member portal, the summaries can be found in the dropdown menu under the "General" tab. This section of WHA.org is a secure location and requires a first-time user to obtain a username and password. If you do not have a member account, go to [members.wha.org](http://members.wha.org) and click on "Register" to create an account. If you have any questions about how to register, contact Tammy Hribar, [thribar@wha.org](mailto:thribar@wha.org) or 608-274-1820.

Additional summaries will be posted as bills are signed into law by Gov. Scott Walker. Members are encouraged to distribute this information to interested parties within their organization.

For additional information, contact Andrew Brenton, WHA assistant general counsel, [abrenton@wha.org](mailto:abrenton@wha.org), or Matthew Stanford, WHA general counsel, at [mstanford@wha.org](mailto:mstanford@wha.org), or 608-274-1820.

## MACRA Implementation: Aurora's Dr. Bailet Testifies Before Congress



*Dr. Bailet testifying at the U.S. Energy & Commerce hearing on MACRA implementation*

On April 19, Jeffrey Bailet, MD, executive vice president, Aurora Health Care, and co-president, Aurora Health Care Medical Group, testified before the U.S. House Energy & Commerce Committee's Subcommittee on Health at the hearing on *Medicare Access and CHIP Reauthorization Act (MACRA) of 2015: Examining Physician Efforts to Prepare for Medicare Payment Reforms*. Bailet was one of four physicians invited to testify before the Committee with respect to progress toward the new physician reimbursement system. Bailet currently serves as chair of the MACRA-created Physician-Focused Payment Model Technical Advisory Committee (PTAC). MACRA was enacted in 2015 and replaced the much-maligned sustainable growth rate (SGR).

During his testimony, Bailet said, "With the enactment of MACRA, physicians and the larger health care community recognize and are preparing for a Medicare payment system that is transitioning away from an unsustainable fee-for-service model based on the volume and intensity of services provided, to one that is value-based, patient-centered and accountable."

While expressing optimism and even excitement at these changes, he went on to provide a caution with respect to the large-scale shift such changes will mean.

"Aurora and like-minded medical groups, physician practices and health systems appreciate that this transformation of care delivery is pressing both to enhance the quality of patient care and to address the financial challenges inherent in our current volume-based system. It is equally important, however, that regulators appreciate the need to proceed cautiously during this transition," he said.

Elaborating on these large-scale shifts, Bailet said, "Many physicians are in various stages of readiness for a value-based payment system...When implementing the regulations for MACRA's payment systems, whether it is for the Merit-Based Incentive Payment System (MIPS) or an Alternative Payment Model, CMS should recognize that the health care system will need time to adapt and learn how to function in this new payment environment. Providing an incremental approach that includes flexibility and rational exposure to financial risk will be vital in ensuring a successful transition to value-based payment."

The Wisconsin Hospital Association (WHA) supports this approach to building out the MACRA reimbursement approach. WHA has long advocated for value-based payments in Medicare, has consistently supported repeal of SGR and supported its replacement, MACRA. To date, WHA has prepared multiple comment letters to the Centers for Medicare & Medicaid Services (CMS) on various aspects of MACRA.

"For years the Wisconsin Hospital Association, Wisconsin hospitals, health systems and other stakeholders have all supported moving toward a reimbursement model that pays for value, not volume," said WHA President/CEO Eric Borgerding. "MACRA is one of the largest efforts to move physician payments in that direction. With some 80 percent of physicians employed in Wisconsin by our hospitals and health systems, WHA is keenly engaged in MACRA's implementation. We are grateful that Dr. Bailet is able to represent those high-value providers nationally through his work with PTAC."

During the hearing, Dr. Bailet was asked by U.S. Rep. Larry Buschon (IN), a physician who completed his residency at the Medical College of Wisconsin, about PTAC and the role it will play with respect to Alternative Payment Models. Bailet told the Committee the PTAC will have its second meeting in May and the committee is getting to know one another and diving deeper into specifics of MACRA.

"This Committee needs to work at a high level," said Bailet. "We want a transparent process," he said, with a goal of making sure PTAC's recommendations are trusted and acted upon by CMS.

Access Bailet's full testimony online at: <http://docs.house.gov/meetings/IF/IF14/20160419/104813/HHRG-114-IF14-Wstate-BailetJ-20160419.pdf>.

## **CMS Overall Hospital Star Ratings Delayed**

The Centers for Medicare and Medicaid (CMS) announced a 60-day delay in their release of a new overall hospital star rating on Hospital Compare. The ratings were scheduled to be released on April 21. The new rating is in response to consumer groups looking for a more concise rating of hospital quality. An overall hospital rating would also be consistent with overall ratings CMS has already implemented for nursing homes and home health agencies. The new five star ratings are based on performance on 62 measures selected from the hospital inpatient quality reporting (IQR) and outpatient quality reporting (OQR) programs. CMS places the selected measures into seven groups—mortality, safety, readmissions, patient experience, timeliness of care, effectiveness of care and imaging efficiency.

The Wisconsin Hospital Association and Wisconsin hospitals strongly support public transparency and have been reporting hospital quality results on CheckPoint ([www.WiCheckPoint.org](http://www.WiCheckPoint.org)) for over a decade. Sharing results with the public supports quality improvement and helps patients make informed choices about their health care. However, there are shared concerns about the methods used to produce various hospital ratings.

The overall star rating may not reflect the aspects of care most relevant to a particular patient's needs. The CMS system for measuring hospital quality is very different than the system for nursing homes and home health where the measures are the same for every patient. In the hospital setting each individual patient's clinical diagnosis and circumstances are different, and as a result, the measures most relevant to their care may differ. For example, the heart attack mortality and readmission measure in the star rating likely would be irrelevant to a mother making decisions about where to give birth, which is not measured. Hospitals provide a wide variety of clinical services, and many services are not covered by measures included in the star-rating. A single star rating can lead to a perception that all hospitals provide the same mix of services, which is incorrect. It is also of concern that CMS does not include appropriate adjustment for patient attributes, outside of a hospital's control, that put larger hospitals and safety net hospitals at a higher risk for lower scores.

WHA and some Wisconsin hospitals encouraged our Washington delegation to urge CMS to delay the ratings until more careful study is done of the methodology. Nationally, a majority of Congress—60 senators and 225 members of the House—weighed in with CMS, including Wisconsin's Senator Baldwin and Representatives Kind, Duffy and Pocan. WHA appreciates our Members of Congress signing onto this letter, and is pleased CMS heeded these concerns.

"Ratings like these can be challenging," says Kelly Court, WHA chief quality officer. "In order for a high level rating such as this to be valuable to consumers, it must be a valid representation of all the services a hospital provides. We are pleased CMS is stepping back to provide more careful evaluation of the rating methodology."

CMS is inviting feedback during the delay period. Questions and feedback about the ratings can be submitted to the Star Ratings inbox at [cmsstarratings@lantanagroup.com](mailto:cmsstarratings@lantanagroup.com). Hospitals will have additional time to preview their ratings beginning May 6. CMS is also hosting a National Provider Call on May 12 to address stakeholder questions about the rating methodology.

## **Wisconsin Gets an "A" for Palliative Care Services**

The Center to Advance Palliative Care (CAPC) has given Wisconsin an A grade for provision of palliative care services. The 2015 report, released by CAPC, indicates that 87.7 percent of Wisconsin hospitals with more than 50 beds are providing this important service to patients.

The report shows 50 out of 57 (87.7 percent) Wisconsin hospitals with more than 50 beds are providing palliative care. It also indicates that 100 percent of hospitals of this size, which are the sole community hospital, provide this service. Provision of the service in Wisconsin has climbed steadily over the past seven years, rising from 63.8 percent in 2008 and 73.7 percent in 2011. *(continued on page 4)*

## Continued from page 3 . . . Wisconsin Gets an “A” for Palliative Care Services

“The way to improve value is to increase quality and decrease cost,” according to Kelly Court, WHA chief quality officer. “The results in this report are an excellent example of our hospitals providing services that maintain Wisconsin’s reputation for delivering not only high-quality health care, but high value to our state’s employers, patients and payers.”

Court said palliative care is often confused with hospice care. Hospice services are appropriate for patients with a terminal diagnosis who are likely to die within six months. There are many more patients who have a complex medical or life-limiting condition with a longer predicted life span. These are the patients who benefit from palliative care services.

Palliative care is a team-based approach to care coordination, symptom relief and relief of the distress associated with a serious illness for patients and their families. Patients who receive palliative care typically experience a higher quality of life and use fewer expensive medical resources associated with unwanted crisis management of their illness. Palliative services are appropriate at any age and at any state of a serious illness.

The full report is at: <https://reportcard.capc.org>.

## WHA to Host May 5 Community Benefit/Population Health Summit *Register now, conference is just two weeks away!*

The Wisconsin Hospital Association Community Benefit/Population Health Summit is just two weeks away so register your team now. The Summit will be held at the Sheraton Madison Hotel featuring state and national experts who will share their expertise in the areas of compliance, the community health needs assessment process and best practices that are helping to create healthier communities in Wisconsin.



Brad Schimel Karen Timberlake Karen McKeown Kevin Stranberg Paula Morgen Kurt Eggebrecht Trina Hackensmith

Wisconsin Attorney General Brad Schimel will keynote the Summit and emphasize how his participation in a community health needs assessment led to an early commitment to battle the opioid crisis. Trina Hackensmith, vice president, Lyon Software, will present information related to completing “Schedule H” and how to effectively and efficiently collect and report community benefits. Karen Timberlake, director of the UW Population Health Institute, and State Health Officer Karen McKeown will update participants on community partnerships and the State Health Plan.

WHA members are encouraged to invite public and community health partners and participate in this Summit as a team. The fee for the Summit is \$150. A small room block is available at the Sheraton Madison Hotel; call 608-251-2300 for reservations. Online registration is available at: <https://events.SignUp4.net/16CBSummit0505>.

For questions about the Summit, contact Mary Kay Grasmick at [mgrasmick@wha.org](mailto:mgrasmick@wha.org). Direct registration questions to Kayla Chatterton at [kchatterton@wha.org](mailto:kchatterton@wha.org).

## Wisconsin Eye Presents New Series: Dealing with Dementia Starting May 2

On May 2, WisconsinEye introduces “Dealing With Dementia,” a special project on what the state’s top health officer calls “the largest public health epidemic in the world.” The series will air on [wiseye.org](http://wiseye.org).

Dementia’s toll on Wisconsin businesses is also great: More than 20 percent of Wisconsin workers are caregivers who need flexible work schedules, more time off, or less stressful jobs. Care giving also forces workers to quit, wiping out their savings. And, as Wisconsin ages, the number of residents with dementia will double in 20 years. That will hurt the 18 northern counties most, where more than one-third of residents will be over age 65 by 2040.

Spouses, family members and friends jeopardize their own physical, mental and financial health caring for those with dementia. Three out of every four residents with dementia now live in their homes. If they didn’t, the cost of caring for them would bankrupt public health care spending.

“Dealing With Dementia” draws on more than 30 interviews of those with dementia, their caregivers, physicians who treat the disease, researchers trying to cure it or delay its onset, executives of “dementia-friendly” businesses, and Wisconsin Department of Health Services Secretary Kitty Rhoades, who launched state government’s “Dementia-Capable Wisconsin” program.

WisconsinEye is the only public affairs channel in the nation that receives no tax or public funds. For a preview of “Dealing With Dementia,” watch this trailer:

[www.wiseye.org/Video-Archive/Event-Detail/evhdid/10526](http://www.wiseye.org/Video-Archive/Event-Detail/evhdid/10526)

### Continued from page 1 . . . WHA Marks Progress Toward 2016 Goals

“Our priority going into the next state budget will be to maintain the progress we achieved in Medicaid reimbursement,” Borgerding said. “However, we also will be looking at non-hospital components of Medicaid reimbursement, those elements of the continuum of care that are increasingly within WHA’s members’ and thus our advocacy purview. We will also take deeper looks at Medicaid managed care as well as the potential for greater direct risk assumption by providers. We dipped our toe in these waters with our behavioral health care coordination legislation this year.”

Borgerding said working groups will be convened this summer to address these and other priorities related to post-acute care.

The campaign to promote Wisconsin’s high-quality, high-value health care continues to move forward, most recently bolstered by WHA’s participation in Competitive Wisconsin, Inc. (CWI). A diverse group of stakeholders, including WHA members, employers, and insurers, participated in the first of two meetings held in April facilitated by Deloitte. CWI’s goal is to develop a broad set of policy recommendations, based on research by Deloitte and input from the stakeholder meetings, which will promote and enable Wisconsin health care value.

A goal was set for staff to visit 50 percent of WHA’s member leaders, a process that is already underway. Borgerding encouraged WHA members to have their senior team participate in these meetings, too.

### WHA Board Creates Two New Board Positions for Physicians

At the 2014 Board Planning Session, Board members directed WHA staff to look for opportunities to involve physician leaders more closely in Association activities. Following that recommendation, WHA created the Physician Leaders Council, developed a physician-specific edition of *The Valued Voice*, and began working on governance and bylaw changes that would accommodate the addition of physician leaders to the WHA Board. With that work complete, the Board approved the addition of two physician leader positions to the Board.

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Borgerding said WHA staff will now work with the Nominations Committee to solicit nominees in July. More information will be shared with members on the nomination process this summer.

### ***Continuation of Current WHA Dues Structure Approved by Board***

Given the shifting dynamics in the health care landscape and at the request of the Board, WHA Senior Vice President Brian Potter completed an exhaustive review of WHA's dues structures and compared it to the methodologies used by other state hospital associations to assess dues.

In his report to the Board, Potter said WHA's dues amounts per hospital are significantly lower than the average and median of other state hospital associations. Overall, the dues structures used by hospital associations are quite similar.

After a thorough review of many factors involved in assessing dues, the Board approved the WHA staff recommendation to continue using the current dues system, with very minor adjustments.

"WHA is constantly working to diversify revenues to rely less on member dues," according to Potter. "That emphasis and the past successes we have had in generating non-dues revenue has and will in the future continue to minimize the need for dues increases to WHA members."

### ***Health Care Workforce Continues to be WHA Top Issue***

In a report to the Board, Steven Rush, WHA vice president, workforce and clinical practice, shared data related to the current status of several key health care professions. New roles are emerging for many occupations that increase the demand for professionals to fill those positions. Among the newest roles to emerge are health care navigators, care coordinators, unique leadership positions, hospitalist coverage provided by advanced practice nurses, and new roles for social workers. (See WHA's 2015 Health Care Workforce Report at [www.wha.org/pubarchive/reports/2015WorkforceReport.pdf](http://www.wha.org/pubarchive/reports/2015WorkforceReport.pdf).)

WHA has played a key role to ensure state and federal policies and the regulatory environment support and foster the implementation of workforce solutions that will allow hospitals and health systems to respond to technological and clinical innovations that will transform patient care over the next decade. A cornerstone of this transformed health system is a new level of collaboration across the health professions.

### ***Federal and State Advocacy Report***

Jenny Boese, WHA vice president, federal affairs and advocacy, provided the Board with an update on political advocacy programming, particularly the Wisconsin Hospitals State PAC and Conduit fundraising campaign. Boese said the 2016 Wisconsin Hospitals State PAC/Conduit goal is set at \$300,000, a ten percent increase over the 2015 goal. To date, over \$80,000 has been raised.

WHA Senior Vice President Kyle O'Brien reviewed several laws just passed in the last legislative session, which was successful in moving WHA's agenda forward in the state Legislature. O'Brien stated that Gov. Scott Walker signed several bills into law at various hospitals and health system facilities over the past four months. He thanked members for their partnership in working with WHA to host the Governor.

O'Brien also discussed how WHA's legislative agenda items were embraced by members of the Legislature because they address key issues that are important to voters—including behavioral health care, improving population health, and helping address the physician workforce shortage in Wisconsin. O'Brien also noted several members of the Board who engaged with their local legislators on key WHA-priorities, including the Interstate Medical Licensure Compact and the Wisconsin Health Care Data Modernization Act. O'Brien described recently-enacted legislation that creates two Medicaid behavioral health care pilot programs and stated that WHA staff has been in discussions with the Medicaid program on rolling out these pilot programs in the next several months.

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## **Continued from page 6 . . . WHA Marks Progress Toward 2016 Goals**

WHA staff is already preparing for the next legislative session, creating an election season strategy that includes meeting with more than 50 candidates for state office in their district and holding at least 10 HEAT Roundtable discussions in hospitals throughout the state. O'Brien encouraged WHA members to join WHA staff in these meetings. Educating legislators on the Medicaid program, and how Wisconsin's program compares to other states in terms of provider payments, will be a top priority during the meetings.

Boese updated the Board of WHA's ongoing work with Congress to fix Section 603 of the Bipartisan Budget Act of 2015 related to hospital outpatient departments. WHA has facilitated in-district meetings with key Members of Congress and was in Washington, DC on the issue in February. WHA will be on Capitol Hill again in early May and will be holding ongoing discussions and meetings with key legislators on the development of legislative and regulatory fixes. Boese also updated the Board on a proposed Medicare Part B drug payment model, which would reduce payments to providers and suppliers of most drugs, including hospital outpatient departments (HOPDs). The way the model is structured, HOPDs would likely see larger reductions than others. WHA plans on submitting a comment letter to the Centers on Medicare & Medicaid Services (CMS) on the model.

### ***AHA Regional Policy Board Report***

Sandy Anderson, regional vice president for Ministry Health Care's Northern Region and president of the Northern Hospitals, Wisconsin's representative on the WHA Regional Policy Board (RPB) Region 5, and Eric Borgerding, presented a summary of the March meeting. Anderson said the group engaged in discussion about the key challenges facing hospitals and health systems. The recommendations and feedback from the RPBs provides input to the AHA Board as they set a proactive national agenda. Ed Harding, FACHE, president/CEO, Bay Area Medical Center, Marinette, is also a member of RPB Region 5.

### ***WHA Signs on to AHA "Equity of Care" Pledge; Encourages Member Participation***

Kim Byas, regional executive with the American Hospital Association (AHA), presented the AHA national call to eliminate health care disparities embodied in the "Equity of Care" campaign. The campaign is focused on:

- Increasing the collection and use of race, ethnicity and language preference data;
- Increasing cultural competency training; and,
- Increasing diversity in governance and leadership.

WHA signed on to the pledge and encourages member hospitals to review the "Pledge to Act," and consider joining the national campaign. See the list of Wisconsin hospitals and health systems that have joined here: [www.equityofcare.org/pledge/pledging.shtml](http://www.equityofcare.org/pledge/pledging.shtml). An Equity of Care Toolkit provides a guide to help accelerate the elimination of health care disparities and ensure hospital leadership reflect the communities they serve. This toolkit is available at [www.hpoe.org/2015eoc toolkit](http://www.hpoe.org/2015eoc toolkit).