WISCONSIN HOSPITAL ASSOCIATION
ADVOCATE. ADVANCE. LEAD.

THE VALUED VOICE

Vol 62, Issue 45

November 6, 2018

IN THIS ISSUE

EDUCATIONAL EVENTS

November 30 - Preparing the Chargemaster for 2019
Wisconsin Dells

SAVE THE DATE:
March 15, 2019
Physician Leadership Development Conference

SITE-NEUTRAL CUTS LARGELY INTACT IN FINAL 2019 OPPS RULE RELEASED BY CMS

WHA Urges Congress to Act to Reverse Cuts

The Centers for Medicare & Medicaid Services (CMS) released its Final 2019 Outpatient Prospective Payment System (OPPS) Rule on Friday, November 2, keeping its proposal to cut clinic visit payments for off-campus hospital outpatient departments largely intact. WHA had expressed strong concerns to CMS over this policy, and spearheaded a letter signed by seven of Wisconsin's 10 Congressional members, urging CMS to reverse the proposed cuts.

In response, CMS delayed the full effect of the proposed cuts for clinic visits in off-campus hospital outpatient departments by phasing them in over two years. In 2019, reimbursements for clinic visits will go to 70% of current levels. They will go to 40% in 2020 and subsequent years. CMS also decided not to reduce payments to new families of services in hospital outpatient departments, though it essentially warned it would consider reducing those payments in subsequent rules.

In a letter sent to Wisconsin's Congressional Delegation on November 6, WHA President & CEO Eric Borgerding called CMS's response woefully inadequate, while expressing WHA's continued strong objections to this policy. Borgerding notes that Wisconsin hospitals

(continued on page 6)

CMS APPROVES BADGERCARE WAIVER

On October 31, the Centers for Medicare & Medicaid Services (CMS) approved the BadgerCare Reform Medicaid demonstration waiver, which provides health care coverage for childless adults with income up to 100% of the federal poverty level (FPL) in Wisconsin. The program was scheduled to expire December 31, 2018, but this new approval extends the program through December 31, 2023. The Wisconsin Department of Health Services (DHS) indicated it will take at least one year to implement the changes.

The approved waiver makes the following changes to the program:

- $8/month premiums for those 50-100% of the FPL
- $8 co-payment for non-emergency use of the emergency department (ED)
- 80 hours/month work, training, or community engagement requirements
- Required completion of a health risk assessment (HRA)
- Premium reductions based on responses to the HRA
- Allowing termination for non-payment of premium or failure to meet work requirements

The most significant change to the original proposal was the removal of drug screening requirements.

The final proposal reflects changes supported by WHA in our submitted comments, including a narrower focus for co-pays (non-emergent ED visits only) and the drug screening change.

WHA will proactively engage with DHS in the weeks ahead as they work with stakeholders to get feedback on plan implementation.

CMS ISSUES FINAL 2019 PHYSICIAN FEE SCHEDULE RULE

The Centers for Medicare & Medicaid Services (CMS) issued the 2019 physician fee schedule (PFS) final rule November 1. The rule addresses a wide range of topics from physician reimbursement to the Quality Payment Program (MACRA). Key elements of the rule are noted below.

Physician fee schedule: The rule proposes to update physician fee schedule rates by 0.25% in calendar year 2019, as required under MACRA.

Evaluation and Management Coding (E&M):

- ***Streamlining E&M documentation:*** In response to comments from WHA and others about the need to alleviate physician burnout that results from Electronic Health Record (EHR) documentation, CMS is streamlining E&M coding procedures for calendar year 2019 and beyond. Specific rule provisions that accomplish this goal include:
  - Removing redundancy in E&M visit documentation when that information is already in the patient record, and requiring physicians to focus their documentation on what has changed since the last visit or on pertinent items that have not changed.
  - Eliminating the requirement to document the medical necessity of a home visit in lieu of an office visit.
  - Removal of potentially duplicative requirements for notations in medical records that may have previously been included by residents or other members of the medical team for E&M visits furnished by teaching physicians.
- ***E&M Reimbursement changes:*** In the preliminary version of the rule, CMS proposed to collapse the payment rates for E&M levels two through five for office and outpatient visits into a single payment rate. CMS retreated from this position in the final rule in response to comments from WHA and other organizations.

  Under the final version, only E&M levels two through four will be combined into one rate. Level five will remain as is to account for the higher costs of treating the most complex patients. Additionally, CMS backed off the proposed 2019 implementation date, and now seeks to implement these changes in 2021. CMS will also be streamlining additional E&M documentation requirements when the E&M coding levels are combined in 2021.

Site-neutral payments: In 2017, CMS implemented reductions to certain items and services in hospital outpatient provider-based departments, setting those rates at 40% of the outpatient prospective payment system (OPPS) rates. In the 2019 final rule, CMS is maintaining payment for these services at 40% of the OPPS amount for CY2019.

Reimbursement for Technology-Based Communications: The rule will pay separately for newly defined physician services that use communications technology. The new services that will be reimbursed under Medicare are "virtual check-ins"—brief, non-face-to-face appointments via communications technology; evaluation of patient-submitted photos; chronic care remote physiologic monitoring; and interprofessional internet consultation.

Telehealth changes: Beginning January 1, 2019, CMS is adding two Healthcare Common Procedure Coding System (HCPCS) codes to the list of Medicare-covered telehealth services: G0513 and G0514, which describe prolonged preventive services in an outpatient setting.

Payment for Medicare Part B drugs: Among other changes, the rule implements a policy change on January 1, 2019, so that Medicare payments for Part B drugs more closely match the actual costs of the medications being delivered. The proposed payment reduction for new Part B drugs from the rate of Wholesale Acquisition Cost (WAC) plus 6% to WAC plus 3%. This rate would only apply while average sales price data are unavailable.

Quality Payment Program (MACRA) changes: The rule contains several changes to the Merit-Based Incentive Payment System (MIPS). Some of these changes include:

- Removing MIPS process-based quality measures that have been deemed as "low value" or "low priority."
- Starting in the 2021 payment year, increasing the weight of the MIPS cost category to 15% while lowering the weight of the quality category to 45%.
- Overhauling the MIPS "Promoting Interoperability" category to allow consumers better access to their own health data, and to align the performance category requirements with the Promoting Interoperability Program proposed for hospitals in the Inpatient Prospective Payment System (IPPS) rule.
- Beginning in 2021, adding an additional exclusionary category for MIPS: those clinicians who provide 200 or less covered professional services per year under the PFS.
- Starting in 2019, allowing clinicians who are not required to participate in MIPS to opt-in to the program.

For further information on the final rule, contact WHA's Vice President of Policy Development Laura Rose or Director of Federal & State Affairs Jon Hoelter.

CONG. GALLAGHER ATTENDS WHA HEALTH CARE ROUNDTABLE DISCUSSION

WHA Members thank Rep. Gallagher for Support on Opioid Package, 340B, and Site-Neutral Payment Issues

U.S. Congressman Mike Gallagher joined area health system and hospital leaders from the 8th Congressional District for a WHA health care roundtable discussion in Green Bay on Monday, November 5. The meeting was hosted by Aurora BayCare Medical Center and attended by representatives from Advocate Aurora, Ascension, Bellin Health, HSHS, the Rural Wisconsin Health Cooperative, and Thedacare.

Hospital leaders discussed several topics with Congressman Gallagher.

The meeting covered a wide range of topics, with WHA members thanking Congressman Gallagher for his many actions this session to support Wisconsin health care. Members thanked Rep. Gallagher for his votes on opioid treatment reform, specifically, removing Medicaid's ban on covering treatment in institutions of mental disease (IMDs), aligning patient substance use and mental health treatment records with HIPAA, and removing Medicare's telemedicine geographic site restrictions for substance use treatment (see last week's Valued Voice for more information on these items). The group also discussed efforts to improve access to care in their local communities across the 8th Congressional District.

The 340B Prescription Drug Discount Program was another topic that WHA members thanked Rep. Gallagher for his support on, noting his co-sponsorship of HR 4392 which would reverse the more than $40 million in cuts made in the 2018 outpatient payment rule. WHA members provided updates on how savings from the 340B program have allowed them to add additional services in their local communities. Noting Congress's desire for additional transparency on the program, they also mentioned the American Hospital Association's work on Commitment to Good Stewardship Principles (covered in *The Valued Voice* October 9, 2018), which should give Congress a fuller picture of the benefit of the program nationally.

The meeting concluded with an update on the recently released 2019 Outpatient Payment Rule (see page 1). WHA members thanked Congressman Gallagher for signing onto a WHA-initiated letter to CMS expressing concerns over the proposal. They also asked for his continued support as WHA works to identify a legislative fix for CMS's terribly misguided policy to reduce payments for clinic visits at off-campus hospital outpatient departments.

(L to R): Tony Curry of Advocate Aurora; Bill Mann of ThedaCare; David Lally of HSHS; Dr. Brian Johnson of Aurora BayCare; Chris Augustian of Aurora BayCare; Jon Hoelter of WHA: Congressman Mike Gallagher; Dan Meyer of Aurora BayCare; Chris Woleske of Bellin Health; Dr. Scott Voskuil of Aurora BayCare; Jeremy Levin of RWHC; Elizabeth Cliffe of Ascension; and Jim Dietsche of Bellin Health.

Congressman Gallagher thanked WHA members for keeping him updated on relevant issues and noted that he looks forward to continuing to work with WHA to identify solutions that improve health care for his constituents and the country as a whole.

CLARIFICATIONS FROM CMS STALL WHA'S EFFORTS ON TRANSPARENCY REQUIREMENTS

WHA | INFORMATION CENTER

The Affordable Care Act (ACA) and subsequent guidance from the Centers for Medicare & Medicaid Services (CMS) in fiscal years 2015 and 2019 Inpatient Prospective Payment System (IPPS) rules require each hospital beginning January 1, 2019, to publish a list of standard charges for all items and services provided by the hospital. The hospital must make this list available on a public-facing website in a machine-readable format.

The Wisconsin Hospital Association (WHA) and the WHA Information Center (WHAIC) have been working to support Wisconsin hospital's efforts to comply with the ACA Transparency Requirement. WHA and WHAIC have been focused on reducing the

(continued on page 4)

Clarifications from CMS Stall WHA's Efforts on Transparency Requirements . . . Continued from page 3

administrative burden for hospitals working to comply with the requirement, while providing information that would be more useable for hospitals' patients and other health care consumers. WHAIC intended to prepare for each Wisconsin hospital, a list of current standard charges for all items and services provided by the hospital, in a machine-readable format, that hospitals could make available via the internet as required by the ACA Transparency Requirement. The standard charges would have been displayed as groupings, such as APR-DRGs (All Patients Refined Diagnosis Related Groups) and EAPGs (Enhanced Ambulatory Patient Groups), which are more useful to consumers.

CMS, unfortunately, in response to questions from the American Hospital Association (AHA), has clarified to AHA that grouping of charges would not satisfy the requirement. It is widely recognized, including by CMS, that hospital chargemaster information is not helpful for consumers. According to AHA, however, CMS's current position is that the list must include the charge and description for each item or service provided by the hospital as represented in the chargemaster. Unfortunately, this means the hospital claims data collected by WHAIC is not granular enough to meet the requirement. WHA will continue to advocate for CMS to adopt a hospital price transparency policy that is consumer-focused and does not impose unnecessary costs and administrative burden on hospitals.

CMS is expected to provide further guidance as hospitals work to satisfy the Transparency Requirement. WHA will work to alert members when additional information becomes available.

CMS has not said how it will enforce the Transparency Requirement, but it has indicated it is considering making information regarding noncompliance with the requirement public. CMS is seeking comments on the most appropriate mechanism for enforcing the requirement, among other issues.

The WHA Transparency Task Force will be updating its toolkit document, including the recommendations and sample policy related to the Transparency Requirement, to reflect the new standards and additional guidance from CMS.

WISCONSIN HOSPITALS BENEFIT FROM WORK OF THE WHA FOUNDATION

Remember the WHA Foundation during the season of giving

The months of November and December are often referred to as the season of giving, which makes it the ideal time for the WHA Foundation to kick off its annual giving campaign. Each year, the WHA Foundation supports a variety of initiatives that have a statewide impact on health care in the areas of quality improvement, workforce development, and community collaboration.

In 2018, nearly 60 Wisconsin hospitals benefitted from support of the WHA Foundation. Was your hospital one of them?

In the course of hiring new employees in 2018, did your hospital hire a WHA Foundation Scholarship recipient? There were more than 30 scholarships awarded this year to students now working in health care in Wisconsin, and more than 400 in total since the program began 15 years ago. Chances are, you employ at least one of them.

Did a team of clinicians from your hospital participate in simulation training focused on better identifying sepsis or stroke symptoms in patients, or reacting to a high-risk birth scenario? Thanks to funding and coordination by the WHA Foundation, this annual program has allowed nearly 60 teams to improve their practice in a safe and controlled environment during the past three years. Chances are, one of your teams participated.

To continue supporting these types of initiatives in 2019, the WHA Foundation is asking for your support through its annual giving campaign. Contributions from WHA hospital and corporate members will be used to continue some of its most successful initiatives and give the Foundation the opportunity to consider new initiatives for funding in 2019.

Information about how to make your contribution can be found here. For questions about the WHA Foundation's 2018 giving campaign, contact Jennifer Frank.

WISCONSIN FAST FORWARD GRANT WRITING TRAINING AVAILABLE

High-quality care depends on a high-quality workforce. Wisconsin Fast Forward (WFF) grants can help WHA members build and sustain the workforce needed to provide the high-quality health care Wisconsin is known for nationwide.

The Wisconsin Department of Workforce Development (DWD) is offering a free informational grant application training session:

Submitting a Successful Wisconsin Fast Forward (WFF) Grant
Thursday, November 8
1:30 – 3:00 p.m.

It's not too late to reserve a seat or register for the online training. The training session will increase applicants' understanding of the WFF grant application process, goals of the WFF grant program, process for funding, and information on what makes a successful WFF grant application.

WHA supported the Wisconsin Fast Forward legislation as another significant investment in workforce development. WFF grants help employers recruit and retain employees through training and education. WHA encourages its members to identify regional training opportunities and connect with workforce partners to develop WFF applications.

Grants for health science and health care related occupations range from $5,000 to $400,000. Grant applications remain open throughout the year with grant awards announced quarterly.

WHA member awardees and partnerships include:

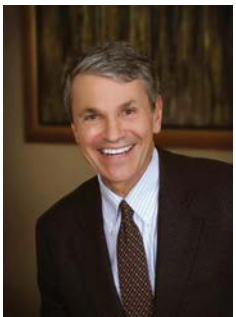
- $38,041 to Agnesian HealthCare in Fond du Lac to develop and deliver training to 10 incumbent workers and two new hires in nursing informatics
- $206,702 grant to St. Elizabeth Hospital-Fremont Tower to train 254 staff members with the customized performance improvement skills that are required within a new, state-of-the-art facility
- $175,393 to Upland Hills Health to provide customer service and technology training to 468 workers at its rural hospital
- $386,000 to the Workforce Development Board of South Central Wisconsin to train 33 unemployed and 27 incumbent workers (60 trainees in total). The individuals will be trained as Certified Medical Assistants for placement at partnering organizations including UW Health, SSM Health and UnityPoint Health-Meriter.

Register now with DWD to reserve your seat. If you have any questions, contact Andy Heidt of DWD's Office of Skills Development-Wisconsin Fast Forward at 608-266-0174.

MEMBER NEWS: BELLIN HEALTH NAMES WOLESKE PRESIDENT/CEO

Longtime health system leader succeeds George Kerwin

Chris Woleske



George Kerwin

Chris Woleske became President and CEO at Bellin Health in Green Bay October 1. She succeeds 47-year health system veteran George Kerwin, who announced his retirement in June.

Woleske has been with Bellin Health in a variety of roles since 1998, becoming Executive Vice President and COO in 2016. During her tenure, she has led the acquisition of several specialty practices including Cardiology Associates, Gastroenterology Associates and NEW ENT; expansion of Bellin Health services in Oconto and Marinette; and was instrumental in the development of Bellin Health Titletown Sports Medicine & Orthopedics.

Prior to joining Bellin, Woleske was an attorney at Liebmann, Conway, Olejniczak & Jerry, S.C. She is a graduate of the Stanford Graduate School of Business Executive Program, and Woleske earned her Doctor of Law (J.D.) degree from Marquette University Law School. She holds a bachelor's degree in Health Care Administration from UW-Eau Claire.

would still be expected to absorb $15 million in cuts next year with less than two months before they take effect, not to mention more than $30 million annually in subsequent years. Recognizing that these cuts go against two previous acts of Congress that grandfathered previously participating hospitals at the current payment structure, Borgerding urged Congress to act swiftly to correct this massive overreach by CMS.

WHA's comment letter also asked CMS to use its authority to restore fairness to the area wage index in the OPPS rule. A provision in the Affordable Care Act (ACA) known as the "Bay State Boondoggle" created massive unfair distortions in the wage index that largely benefit hospitals on the east and west coasts at the expense of all other hospitals. While CMS agreed with WHA that it had the authority to apply a different wage index under the OPPS than is required by the ACA for the inpatient payment rule, it decided not to make any changes, arguing that would add "administrative complexity that is burdensome and unnecessary." WHA will continue to advocate for fixing this flawed payment structure.

One bright spot in the final rule was CMS's decision to remove eight of the 10 proposed unnecessary or duplicative measures in its Outpatient Quality Reporting Program. As noted in its comment letter, WHA continues to be encouraged by CMS's commitment to reduce these unnecessary burdens on hospitals' quality reporting programs. WHA is continuing to look over this rule and will provide additional analysis in a future member communication.

Visit WHA's OPPS webpage for more information.