

**IN THIS ISSUE**

Wisconsin Individual Health Insurance Premiums Drop Again..... 1

CMS Introduces Proposed FY2020 Outpatient Rule ..... 1

CMS Releases Final 2020 Inpatient Rule ..... 2

CMS Issues Proposed Rule on 2020 Medicare Physician Fee Schedule and Quality Measures ..... 3

Larson Joins WHA as Vice President, Education & Marketing..... 3

Wisconsin Healthcare Business Forum Event Features Epic Systems ..... 3

Chris Decker, Long-time Pharmacy Society of Wisconsin CEO and Close Colleague of WHA, Passes..... 4

**EDUCATIONAL EVENTS**

September 6, 2019  
WHA 2019 Post-Acute Care Conference  
Wisconsin Dells, WI

Throughout 2019  
Health Care Workforce Resilience Free Member Webinar Series

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**Wisconsin Individual Health Insurance Premiums Drop Again**

**Decrease of 3.2% projected for 2020**

On August 2, Governor Tony Evers announced premium rates in Wisconsin’s individual health insurance market will decrease an average of 3.2% from 2019 rates. This is the second consecutive year rates have declined, following a decrease of 4.2% for 2019.



This encouraging downward trend is largely credited to the bipartisan Wisconsin Healthcare Stability Plan (WIHSP), which had strong WHA support and passed the Legislature in spring 2018. The program was fully funded in the recently enacted state budget. The WIHSP creates a reinsurance pool that will cover a portion of high-cost claims in the individual market. WHA strongly advocated for the WIHSP to ensure affordability and stability in the individual insurance market.

“Rising premiums threaten access to affordable health insurance and erode the impressive gains Wisconsin has made over the past several years in reducing the number of uninsured,” said Eric Borgerding, WHA President and CEO. “Wisconsin’s Health Care Stability Plan has represented a crucial, bipartisan step in protecting access to Wisconsin’s top-ranked health care.”

Actuarial analysis from the Office of the Commissioner of Insurance projected premiums would have increased 9% for 2020 in the absence of the reinsurance program. Prior to the implementation of the WISHP, the Wisconsin individual market was experiencing double-digit premium increases and reduced competition from insurers.

For more information on this topic, contact WHA’s Vice President of Public Policy [Lisa Ellinger](#).

**CMS Introduces Proposed FY2020 Outpatient Rule**  
**Continues cuts to 340B, site-neutral; sweeping new cost transparency provisions**

The Centers for Medicare & Medicaid Services (CMS) has introduced its annual proposed update to the Outpatient Prospective Payment System (OPPS). While the proposal does include a welcome payment rate increase of 2.7%, this increase is blunted by continued cuts to 340B hospitals and hospital outpatient departments, and a new requirement that hospitals post payment rates negotiated with insurers.

For 340B hospitals, CMS is proposing to continue reimbursement cuts of around 30% that began in the FY2018 OPPS rule, despite two recent court decisions ruling those cuts illegal. CMS has appealed the court decisions, and rather than pausing with the payment cuts until the litigation is decided, it proposes to continue them for FY2020. It also requests comment on a potential remedy CMS may prepare should it lose its appeals.

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In addition, CMS is proposing to extend the site-neutral cuts proposed in the FY2019 OPSS rule despite litigation also challenging their legal authority to make such cuts. In the FY2019 rule, CMS proposed to reduce payments to off-campus hospital outpatient departments (HOPDs). WHA has been advocating for reversing this policy, particularly since Congress previously specifically exempted these HOPDs from such payment cuts.

After hearing such concerns, CMS decided to phase in the impact of these site-neutral payment cuts by half in the first year. In the 2020 proposed rule, CMS proposes allowing the phase-in to expire and would institute the full cut in 2020 and subsequent years, which is projected to cut payments to Wisconsin hospitals by more than \$40 million annually.

Perhaps the most significant proposed change in this rule is the proposal to require hospitals to make payment rates negotiated with insurers available both in machine-readable and consumer-friendly formats. This would include charges for all hospitals (including those not reimbursed under the OPSS rule) and would cover all items and services provided by a hospital, including physician and other professional charges for hospital-employed providers, as well as facility fees, supplies, procedures, and room and board. Hospitals would be required to make 300 “shoppable” services available in a consumer-friendly format. This would include a list of 70 services defined by CMS, as well as 230 additional shoppable services hospitals choose based on the populations they serve. Failure to comply would result in corrective action plans and ultimately civil monetary penalties of up to \$300 per day if not corrected.

Over the coming weeks, WHA staff will analyze the rule in its entirety and submit comments to CMS which are due by September 27, 2019. For further information on the proposed rule, contact WHA’s Director of Federal and State Relations [Jon Hoelter](#).

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## **CMS Releases Final 2020 Inpatient Rule**

### ***Makes changes to Wage Index Proposal***

On Friday, August 2, CMS released its final 2020 Inpatient Prospective Payment System (IPPS) rule. Overall, the rule will increase IPPS rates by a net 3.1% in fiscal year (FY) 2020 compared to FY2019. It also includes welcome changes to Medicare’s Promoting Interoperability Program and takes steps to restore fairness to the calculation of hospital wage index values, though in a significantly different manner than the proposed rule.



For the wage index, CMS is going through with its proposal to remove the impact of hospitals reclassifying from urban to rural when calculating each state’s rural floor. WHA supported this policy change in its comment letter noting the current policy has benefited coastal states at the expense of states like Wisconsin. CMS also made a significant change to its proposal to bring up wage index values for hospitals below the 25th percentile by bringing down wage index values for hospitals above the 75th percentile.

WHA had submitted comments urging CMS to focus on hospitals that have gamed the system by creating artificially high labor markets, while also urging CMS to hold harmless hospitals in naturally occurring high labor markets, which some Wisconsin hospitals operate in. In the final rule, CMS decided to instead spread out the wage index offset across all hospitals above the 25th percentile rather than just those above the 75th percentile. While this proposed change will negatively impact all hospitals above the 25th percentile, combined with the changes to the rural floor calculation, the wage index changes should have a positive net impact on Wisconsin hospitals.

WHA was also pleased to see CMS finalize its proposals to reduce electronic health record regulatory burden in its Promoting Interoperability Program. Specifically, CMS went ahead with its proposal to allow hospitals to select the 90-day time period for which they must attest to meaningful use of certified electronic health record (EHR) technology and removed both the “query of PDMP” and “verify Opioid Treatment Agreement” from the list of required measures, noting the increased burden they would have presented without meaningful improvements in quality.

WHA will be analyzing the final rule in the coming weeks and will provide additional updates as warranted. Contact WHA Director of Federal and State Relations [Jon Hoelter](#) with questions.

# CMS Issues Proposed Rule on 2020 Medicare Physician Fee Schedule and Quality Measures

The Centers for Medicare & Medicaid Services (CMS) has issued the annual update to the Medicare Physician Fee Schedule (PFS). The rule proposes changes to certain quality measures for the upcoming year. Here is a brief summary of the rule:

- **Physician Fee Schedule Adjustment:** The proposed calendar year (CY) 2020 PFS conversion factor is \$36.09, a slight increase above the CY2019 PFS conversion factor of \$36.04.
- **Medicare Telehealth Codes Added:** Reimburse telehealth services for three HCPCS codes, GYYY1, GYYY2, and GYYY3, which describe a bundled episode of care for treatment of opioid use disorders.
- **Evaluation and Management (E&M) Coding Changes:** Allow five E&M codes for existing patients and four codes for new patients beginning in CY2021. Changes also revise the times and medical decision-making process for all the codes and requires performance of history and exam only as medically appropriate. The CPT code changes also allow clinicians to choose the E/M visit level based on either medical decision making or time.
- **Physician Assistant (PA) Supervision:** Relax the requirements for required physician supervision of PAs that would apply in states where the physician/PA relationship is not outlined in state law.
- **Re-documentation revisions:** Further relax the documentation of medical record requirements that were instituted in last year's PFS rule. Under the proposed rule, physicians, physician assistants, nurse practitioners, clinical nurse specialists, and certified nurse-midwives could review and verify rather than re-document notes made in the medical record by other physicians, residents, nurses, students, or other members of the medical team.
- **Care Transitions:** Proposes a payment increase for transitional care management, as well as a set of codes for chronic care management.

WHA staff will keep members posted on the development and submittal of our comments on the proposed rule, which are due to CMS by September 27. For further information, contact WHA Vice President of Policy Development [Laura Rose](#).

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## Larson Joins WHA as Vice President of Education & Marketing

The Wisconsin Hospital Association is pleased to welcome Leigh Ann Larson as Vice President of Education and Marketing. Prior to joining WHA, Larson spent seven years at Group Health Cooperative of South-Central Wisconsin as the Learning and Development Manager. Prior to that, she worked for Dean Health Plan. Larson holds a bachelor's degree in secondary education from the University of Wisconsin – La Crosse.

As Vice President of Education and Marketing, Larson will be responsible for the overall direction and oversight of the WHA Education Department.

"Leigh Ann brings a lot of relevant experience in not only developing content, but also in all of the logistical components of putting on education events. She will be a great fit with the WHA team," said Brian Potter, WHA Senior Vice President of Finance and COO.



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## Wisconsin Healthcare Business Forum Event Features Epic Systems

*Speaker highlights value of provider input in product development*



The July Innovation Network Luncheon co-sponsored by the Wisconsin Healthcare Business Forum (WHBF) brought together health care, business, and technology leaders to learn about the future of data science, machine learning, and predictive modeling efforts in health care. James Hickman of Epic Systems discussed the potential impacts of these innovations on patient care and operations, and emphasized Epic's focus on the full continuum of care and gathering clinician input.

"Bringing data science approaches and machine learning to health care data isn't really new," said Hickman. "What is particularly novel and what the focus has been over the last couple of years, has been bringing that innovation, bringing some of those insights directly to the frontline clinician."

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Hickman described Epic’s increased focus on data quality and clinician engagement, and the importance of involving stakeholders in product development. “Having them [clinicians] there to define the problem, define the solution, accept the solution, provide feedback, and iterate is particularly important,” he stated.

The event was taped by WisconsinEye and is available for viewing [here](#). For more information on the WHBF, contact WHA Vice President of Public Policy Lisa Ellinger.

The next Innovation Luncheon will take place in Madison on September 24, and registration details will be advertised in future editions of *The Valued Voice*.



L to R: WHA Information Center VP Jennifer Mueller, and WHA VP of Public Policy Lisa Ellinger

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## Chris Decker, Long-time Pharmacy Society of Wisconsin CEO and Close Colleague of WHA, Passes



Chris Decker

Wisconsin’s health care and advocacy community lost one of its best leaders last week. Chris Decker, CEO of the Pharmacy Society of Wisconsin, [passed away](#) on July 30 after a long, courageous battle with cancer. Chris was just 54 years old.

“Chris was one of the best in our business, a truly outstanding leader and mentor by example to many of us. He cultivated partnerships and friendships, valued collaboration and always sought to lift those around him,” said WHA President and long-time colleague Eric Borgerding. “He was a leader in every way, and his strength, humility, and genuine care for his friends and colleagues during his career and throughout his illness and treatment was an inspiration to everyone who knew him and to those who had the true privilege of working with him.”

Chris became CEO of the Pharmacy Society of Wisconsin (PSW) not long after completing his pharmacy degree from the University of Iowa, going on to lead the PSW for nearly 30 years. In that time, he built the PSW into one of Wisconsin’s most respected and impactful health care professional and advocacy organizations. In recognition of his work and influence on so many, Chris recently received the [Certificate of Merit Award](#) from the University of Wisconsin-Madison School of Pharmacy.

“Chris was a trusted colleague and dear friend. He will be deeply missed, but leaves a lasting legacy of leadership and excellence. He will always be appreciated and remembered for his contributions to his profession and, especially, his steadfast support of and friendship with his peers. The WHA staff and our members extend our deepest condolences to Chris’ family and his colleagues at the Pharmacy Society of Wisconsin,” said Borgerding.