

## IN THIS ISSUE

Management (Again) Wants Government Price Setting for Worker's Comp ..... 1

U.S. House and Senate Democrats Offer Medicaid Expansion Proposals ..... 1

GUEST COLUMN: To Keep COVID-19 Economy Booming, Rural Vaccinations Key ..... 2

Harvard Business School Club of Wisconsin Honors Health System Leaders ..... 3

CMS Releases Medicare Physician Fee Schedule Proposed Rule ..... 4

## EDUCATIONAL EVENTS

**July 22**  
*Quality Improvement Series - Part 1: Measurement and Data*  
Webinar

**July 28**  
*The Winning Race: Diversity, Equity and Inclusion Coaching Clinic - Part 3: Equitable Messaging*  
Webinar

Visit [www.wha.org](http://www.wha.org)  
for more educational  
opportunities

## Management (Again) Wants Government Price Setting for Worker's Comp

*Also wants restrictions on injured workers' access to care*

The Worker's Compensation Advisory Council (WCAC) members met and exchanged proposals this week, kicking off the negotiation between WCAC's five voting members representing labor (Labor) and the five voting members representing management (Management) that is expected to result in what is often called the "agreed upon bill." After introduction, the agreed upon bill is considered in the Legislature by the assigned Senate and Assembly committees. According to the Wisconsin Department of Workforce Development (DWD) website, the Legislature usually accepts the WCAC's recommendations and forwards the bill to the governor, who signs the bill into law. A WCAC agreed upon bill, however, has not been approved by the Legislature and signed into law since 2016, due in large part to the controversial ideas the WCAC includes in the agreed upon bill.

Despite the fact that premiums for worker's compensation insurance continue [plummeting](#) in Wisconsin, Management once again included in its [proposals](#) for 2021 a medical fee schedule for hospitals. Management's proposals also would require DWD to certify dispute resolution databases based on the average fees paid to health care providers. This would, in effect, establish a fee schedule and significantly limit reimbursement amounts for care provided by physicians, physical therapists, chiropractors and other health care practitioners. [\(continued on page 5\)](#)

## U.S. House and Senate Democrats Offer Medicaid Expansion Proposals

As U.S. Senate Democrats look to run another budget reconciliation package that could authorize up to another \$3.5 trillion in new spending, talk has again turned to the issue of Medicaid expansion.

Wisconsin is [one of 12 states](#) that has chosen not to accept Medicaid expansion at the state level. However, it continues to be in a unique position as the only such state [not to face a coverage gap](#). Wisconsin actually has a lower uninsured rate than all but seven states, and even has a lower uninsured rate than 31 of the 38 states that took the expansion.

Wisconsin U.S. Sen. Tammy Baldwin is among those spearheading an effort to bring Medicaid expansion to states that have not yet accepted it. Earlier this week, she introduced [legislation](#) that would further enhance the amount of federal Medicaid dollars states like Wisconsin would receive for expanding Medicaid. However, should a state still choose not to do so, her legislation would require the federal government to administer an insurance plan that mimics Medicaid in providing the same benefits at no cost to persons between 100% and 138% of the federal poverty level (FPL). [\(continued on page 2\)](#)

***(U.S. House and Senate Democrats Offer Medicaid Expansion Proposals . . . continued from page 1)***

In addition to Sen. Baldwin's legislation, Lloyd Dogget, chair of the House Ways and Means Health Subcommittee, introduced legislation that would again give governments 100% federal funding for the first three years they expand Medicaid, with a gradual reduction to 90% by the seventh year. His legislation would also allow local governments to apply to create regional expansion projects. Rumors have also swirled about other ideas that would create incentives or penalties to get the 12 remaining states to expand Medicaid.

WHA is working very closely with Wisconsin's congressional delegation and the Evers administration to guard against Wisconsin getting swept up in a one-size-fits-all policy that could unfairly penalize our state's unique approach.

Earlier this spring, the U.S. Department of Health and Human Services released estimates suggesting about 80,000 Wisconsinites under 100% FPL who are currently eligible for Medicaid remain uninsured. Additionally, about 25,000 Wisconsinites between 100% FPL and 138% FPL who are currently eligible for a no-cost-premium exchange plan remain uninsured. These numbers suggest it would be hard to estimate the extent to which these policy proposals being debated would increase health insurance coverage in Wisconsin.

Contact WHA Vice President of Federal and State Relations [Jon Hoelter](#) with questions.

---

## **GUEST COLUMN: To Keep COVID-19 Economy Booming, Rural Vaccinations Key**

***By Tom Still, President, Wisconsin Technology Council***



*Tom Still*

It is "Roaring 20s, 2.0" in much of America. Stocks are booming, cash is looking for smart places to invest, businesses are clamoring for workers, and materials and products of all types are slowly returning to the supply chain.

Let's not mess it up by letting COVID-19 creep back in the picture, especially in parts of unvaccinated rural America.

The latest national data shows that 72% of the people in urban areas across the country have received at least one vaccine shot, compared with 54% in predominantly rural states. Outbreaks tied to the contagious Delta variant of the coronavirus are taking place in parts of Arkansas, Missouri, Florida, Nevada, Wyoming and Utah, states that fall below the U.S. vaccine average—in some cases, by a lot.

Wisconsin rides above the national average by a couple of percentage points, but even that solid performance varies by location within the state, with some rural counties falling well below the line.

And yet, that latest national data shows it is the unvaccinated who are getting sick, going to the hospital and sometimes dying, not those who already have at least one shot in the arm.

There are a lot of reasons why so many people are not getting vaccinated, but supply isn't one of them. Shots are available almost everywhere people care to look.

The hesitancy is more about people fearing side effects, which are mild or non-existent for all but a tiny minority of COVID vaccine recipients; general opposition to vaccines for medical or religious reasons; false security about the virus not reaching their neck of the woods; and politics.

The political reasons are the oddest in many ways. The Trump administration spent billions on Operation Warp Speed – despite unhelpful messaging surrounding other COVID strategies – and deserves its fair share of credit for bringing the Moderna, Pfizer and Johnson & Johnson vaccines to market. Rural America backed Trump more than urban America in the 2020 elections, and it remains a bastion of support in many states on the outbreak list.

For those who trusted Trump enough to vote for him, it only makes sense that they can trust his administration funded, tested and approved one of the medical research and production miracles of the century.

*(continued on page 3)*

***(GUEST COLUMN: To Keep COVID-19 Economy Booming, Rural Vaccinations Key . . . continued from page 2)***

If there is a jittery side to the markets and the general economy, however, it is that COVID-19 is threatening to stage a comeback in parts of the country and around the world.

Those jitters should be of particular concern in rural America, including much of Wisconsin, if it reaches the point where investments are not being made and company expansions or moves don't take place for fear of another COVID round.

A huge amount of federal and state aid is being poured into rural America in the form of broadband development, infrastructure, education, health care, tourism and more, much of which could lie fallow if people become convinced that COVID variant risks are too high.

People learned during the height of COVID they could work remotely in a lot of places, including in rural or ex-urban locations. They may be less inclined to do so if they believe they are moving from a place where most people are vaccinated to a place where many are not.

Wisconsin has an advantage over many states in that its rural hospital system is strong and generally held up during the peak of the pandemic. Other states are not so fortunate, and intense rural outbreaks could lead to overrun facilities and lack of treatment.

The recovery is under way and could extend to much of rural America unless too many people fail to make the right choice about getting vaccinated. Main Street Wisconsin is an engaging place to work, live and relax for people who are looking to escape some of the trials of urban life. Don't discourage them by putting up a billboard, "Welcome to the Land of the Unvaccinated."

---

## **Harvard Business School Club of Wisconsin Honors Health System Leaders**

### ***Five Wisconsin health care CEOs named "Business Leader of the Year"***

Recognizing the leadership role Wisconsin hospitals and health systems played in responding to and fighting the prolonged COVID-19 pandemic and the unprecedented stress it placed on the state's health care system and economy, the Harvard Business School Club of Wisconsin will honor the CEOs of five health systems with its Wisconsin Business leader of the Year Award. It is the first time that the club has awarded the accolade to more than one recipient.

The five health system CEOs receiving the Harvard Business School Club of Wisconsin award are:

- Alan Kaplan, CEO of UW Health
- Cathy Jacobson, president and CEO of Froedtert Health
- Bernie Sherry, CEO of Ascension Wisconsin
- Jim Skogsbergh, president and CEO of Advocate Aurora Health
- Chris Woleske, president and CEO of Bellin Health System



Lisa Wright, vice president of the Wisconsin Business Leader of the Year Program, told *The Valued Voice*, "The heart of the Business Leader of the Year Award is the recognition of exceptional leadership, impact, and innovation. There could have been an extensive list of deserving health care organization executives chosen for this year's award. After thoughtful reflection

*(continued on page 4)*

*(Harvard Business School Club of Wisconsin Honors Health System Leaders . . . continued from page 3)*

and research, our committee selected the leaders of health care systems with the greatest reach caring for our state during the pandemic.” Wright continued, “They navigated issues for which there was no playbook—such as staffing optimization, supply chain challenges and operationalizing changing clinical protocols, all while ensuring the well-being of their front-line workers. Moreover, they acted in concert with one another in their COVID response, collaborating for the greater good of the communities they respectively serve.”

Wright added, “All of the nominees pointed to their teams as the true recipients of this award, and we applaud these heroes for their herculean efforts. Yet, an organization requires someone to direct the charge, and these five individuals embody leadership excellence in an unforgettably complex year.”

WHA President and CEO Eric Borgerding said, “The decision by the Harvard Business School Club of Wisconsin to pay tribute to the way hospitals and health systems stepped up to fight COVID with this year’s Business Leader of the Year Award appropriately underscores the role health care providers play in both the physical and the economic health of our state. While this award recognized five deserving health system leaders, the honor extends to the hospitals and health systems throughout the state whose dedicated staff work every day to keep their communities healthy and safe.”

The Business Leader of the Year Award will be presented to the health system leaders in an [event](#) co-hosted by the Harvard Business School Club of Wisconsin and the *Milwaukee Journal Sentinel* in September.

---

## **CMS Releases Medicare Physician Fee Schedule Proposed Rule**

The Centers for Medicare & Medicaid Services (CMS) released the [proposed rule](#) for the calendar year 2022 (CY 2022) physician fee schedule on July 13. The key provisions in the proposed rule include a cut to the conversion factor to \$33.58 in CY 2022, from \$34.89 in CY 2021, reflecting the expiration of the 3.75% payment increase, a 0% conversion factor update and a budget neutrality adjustment. The proposed rule also includes proposals to expand access to telehealth for mental health services and delayed implementation of the payment penalty phase of the Appropriate Use Criteria program. For the Quality Payment Program, CMS proposes to offer seven optional Merit-based Incentive Payment System Value Pathways (MVPs) beginning in 2023. CMS also proposes to increase the Merit-based Incentive Program System (MIPS) performance threshold score clinicians and groups must exceed to receive positive payment adjustments.



WHA has been tracking, in particular, the telehealth proposals. The Consolidated Appropriations Act of 2021 removed geographic restrictions on telehealth behavioral health services and allowed them to be delivered to a patient’s home. CMS is proposing to implement that, along with requirements for regular in-person contact with a provider. CMS is also proposing to continue allowing audio-only telehealth, while including a modifier code noting that a provider had the capability to do audio/video telehealth but that the service was provided via audio due to patient choice or limitations.

Comments on the proposed rule are due Sept. 13.

---

### **Follow Us**

 [@WIHospitalAssociation](#)

 [@WIHospitalAssn](#)

 [@Wisconsin Hospital Association](#)

***(Management (Again) Wants Government Price Setting for Worker's Comp . . . continued from page 1)***

In addition, the Management proposal calls for employer-directed care for the injured worker's first 90 days of treatment, except for care provided in the emergency department. To direct care, the proposal explains that the employer would specify a list of at least three physicians who are geographically accessible, plus three other health care providers. The proposal also would establish treatment guidelines that health care practitioners would be required to follow unless the insurer approves the practitioner's recommended care in advance.

Labor did not propose a medical fee schedule or restricted access to care, instead focusing its [proposals](#) on increasing disability and death benefits for injured workers, providing education and health benefits for the injured worker and his or her dependents and encouraging employer compliance with safety regulations, among other provisions.

WHA President and CEO Eric Borgerding criticized Management's proposals, saying, "It's disappointing that management representatives would propose, again, 1970s-style government rate setting for worker's compensation rather than encourage insurers to negotiate price and payment terms with health care providers, as the insurers do for group health and increasingly even government programs." Borgerding also noted, "In late May, the Wisconsin Compensation Ratings Bureau recommended a 5.44% reduction in worker's compensation insurance premium rates beginning October 1. That would be the sixth consecutive year with reduced rates. And, again, data show Wisconsin workers receive exceptional health care with outcomes that are the best or among the best in the country. Government setting prices, coupled with the workplace deciding where people injured at that workplace can get care, doesn't make sense."