

**Vol. 11, Issue 12**Tuesday, July 18, 2023

# WHA Board Receives Briefing on Advocacy Work, Policy Priorities at June Board Meeting

WHA's Board of Directors met in Fitchburg on June 22 for a briefing on WHA's recent advocacy work and important issues WHA is monitoring for members. WHA President and CEO Eric Borgerding preceded the discussion with a review of WHA's progress toward the association's 2023 goals. Borgerding also provided a preview of the upcoming August board retreat which will feature special guest speakers Lisa Goldstein, SVP with Kaufman Hall and Paul Keckley, Managing Editor of the Keckley Report. The board retreat will include a discussion on the WHA board structure and strategies to address board vacancies.

### **Government Relations Team Updates Board on Transparency Legislation, State Budget**

WHA Senior Vice President Kyle O'Brien provided an update to the Board on recent legislation circulated by four Republican lawmakers that would create new state-level mandates on hospitals related to hospital price transparency. O'Brien said the legislation was circulated on May 3 and was just recently introduced with a total of five Senate sponsors and 16 Assembly sponsors, in addition to the bill's four authors and co-authors.

O'Brien credited advocacy efforts by hospitals all over the state for minimizing the number of sponsors who added their name to the legislation. Once the bill was circulated for co-sponsorship, WHA members were quick to contact their local elected officials to raise objections with this legislation and the additional unlimited penalties that Madison bureaucrats would be allowed to levy on hospitals that they deem non-compliant with price transparency regulations. This, when the state Legislature has taken a completely opposite approach over the last decade by reducing regulations at the state level and minimize conflicts between federal and state laws and regulations.

In 2014, WHA worked closely with the Legislature to enact landmark reforms that aligned Wisconsin's state-specific hospital regulations with the federal Medicare Conditions of Participation. "This legislation goes in the exact opposite direction, by creating a state-level law that in some places duplicates and in other places conflicts with the requirements that already exist for hospitals at the federal level," said O'Brien. "Your phone calls to lawmakers have helped them understand the significant regulatory burden already placed on hospitals through the federal price transparency rule and have discouraged them from adding to that burden through action by the Wisconsin State Legislature."

O'Brien said WHA would continue to aggressively oppose this legislation in the state capitol and in partnership with our members through in-district meetings with state lawmakers.

At the same time, WHA had been engaging with members of the state Legislature in preparation for the Joint Finance Committee (JFC) to draft its version of the state budget (see last week's story on Joint Finance Committee action). O'Brien reported that the Legislature's budget-writing committee ultimately approved a very strong package of reimbursement increases through the Medicaid Disproportionate Share Hospital (DSH) program, hospital base rates, primary care provider reimbursement increase, increasing reimbursement for behavioral health units and general medical-surgical hospitals and providing strong increases for physician, registered nurse and allied health professional training grants. WHA estimates that the collective impact to WHA's membership through these reimbursement increases is \$351 million in additional reimbursement to hospitals serving Medicaid patients, according to O'Brien.

WHA President and CEO Eric Borgerding also reported on the work WHA has been doing with Speaker Robin Vos (R – Rochester) and others to put forward reforms to our post-acute care system that recognizes and reimburses for the costs hospitals incur when a patient cannot be discharged to a post-acute care facility while also reforming the system to better enable and incentive the creation of post-acute care capacity for difficult-to-place patients.

Borgerding said that the WHA team had been working on this through the budget process, and the JFC set aside funding for this

purpose in the budget, but the WHA team will be working through the summer to put together a package of items for the fall floor session.

#### **Monitoring Federal Policies**

WHA Vice President Federal and State Relations Jon Hoelter provided an update on WHA's advocacy efforts at the federal level, highlighting work WHA is doing to push for continued federal regulatory flexibility and pushing back against proposed site-neutral payments. While WHA has been pushing for legislation to extend flexibility for CMS rules requiring critical access hospitals (CAHs) to limit the average length of stay to 96 hours, Hoelter also provided an overview of a CMS announcement intended to provide flexibility in how the agency would resume regulating CAHs.

Hoelter also walked through recent proposals from the House Energy and Commerce Committee that would extend site-neutral payment policies that reduce Medicare payments for care provided at hospital outpatient departments. The proposals could have significant financial effects on hospitals. According to an estimate from the AHA, they could range in cuts of \$90 million over 10 years to close to \$5 billion if the most aggressive site-neutral policies are enacted. WHA has been working with the AHA to aggressively push back against these misguided policies.

### **Addressing Payer Practices**

WHA Senior Vice President of Public Policy Joanne Alig provided an update for the Board on a variety of payer practices that can cause care delays for patients and increased administrative burden for health care providers. Alig reviewed several reports that have been released over the past year from various sources, finding that practices such as prior authorizations, payment denials and payment delays are being used increasingly and often inappropriately by payers. These practices then have significant impacts on whether patients receive timely care, physician burnout, and financial stress for hospitals and health systems.

Alig also noted the increasing and misguided criticism of hospitals, as patients incur medical debt. Alig pointed to guidance from consumer groups like the National Consumer Law Center which advise consumers to not pay medical debt ahead of other debt since consumers need to pay rent, utilities and other services more timely or service will be cut off. By contrast, medical debt is incurred after a service has been performed. Further, most hospital charity care policies are designed to provide financial assistance to low-income patients. However, medical debt can still occur for patients at higher income levels and is typically the result of insurance plan designs that have high deductibles and copayments. Hospitals do a good job of balancing the need for payment for services and the patient's ability to pay.

### **Promoting Health Care Careers**

Based on feedback from WHA members, including the WHA Board and Council on Workforce Development, WHA staff presented to the board plans for an upcoming campaign to help address Wisconsin's historic health care workforce shortage.

WHA's Senior Vice President of Workforce and Clinical Practice Ann Zenk acknowledged that declining enrollments in post-secondary education for health care-related fields are a concerning trend, citing Wisconsin ranks the second worst in overall enrollment decline compared to other industries with Alaska being the worst.

"To help address the problem, one solution is to help grow the health care career pipeline. That means making health care an attractive and preferred career choice and appealing to a younger audience; getting them interested in health care careers earlier," said Zenk.

Zenk recognized health care is not the only industry dealing with a workforce shortage, and health care is competing for workers with other industries. Part of WHA's role will be to message health care as a top career choice above the others.

Zenk described how other organizations, such as the Wisconsin Department of Workforce Development (DWD), Wisconsin Area Health Education Centers (AHEC), Health Occupations Students of America (HOSA), Wisconsin Department of Public Instruction (DPI) and the Wisconsin School Counselor Association (WSCA), have deployed efforts and developed resources in this space. WHA's role will be to partner with these groups to create awareness of these resources and proactively drive young people to them through an advertising campaign.

Vice President of External Affairs Kari Hofer discussed the logistics of the planned advertising campaign which includes an online career resource hub and digital ads targeted towards a young audience. The campaign would begin in the fall of 2023 and run for five to six months, wrapping up in spring 2024.

## Other Articles in this Issue

- Governor Evers Signs Biennial Budget Bill into Law
- WHA Board Receives Briefing on Advocacy Work, Policy Priorities at June Board Meeting
- HRSA Will Continue "Pausing" Planned HPSA Withdrawals Through All of 2023
- <u>U.S. Rep. Steil Seeks Nominations for Wisconsin's First Congressional District's Health Care Worker of the Year Award</u>
- WHA Health Care Leadership Academy Graduates 10 More Participants
- Learn How Post-Acute Care Drives Outcomes Across the Care Continuum