WISCONSIN HOSPITAL ASSOCIATION
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EDUCATIONAL EVENTS

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

WHA PHYSICIAN LEADERS COUNCIL GUIDES MD REGULATORY BURDEN AGENDA

Physician leaders from small, large, urban and rural Wisconsin Hospital Association (WHA) members discussed several agenda items impacting WHA member physicians at the October meeting of the WHA Physician Leaders Council. Chaired by Steve Kulick, MD, Chief Experience Officer, Marshfield Clinic Health System, the Council discussed:

- WHA physician regulatory burden agenda
- Physician assistant scope of practice legislation
- New CMO track at 2019 WHA Physician Leadership Development Conference
- November election and impacts on health care

WHA Physician Regulatory Burden Agenda

The Council continued its work on developing a comprehensive physician regulatory burden agenda for 2019 and beyond focused on state and federal regulatory relief and organization and physician leader-targeted education that can help reduce physician time spent on non-clinical work.

The Council provided input on a WHA staff-developed summary of eight areas of potential state public policy reforms and actions to reduce physician regulatory burden. Each of the potential reforms was identified based on input sought and received throughout 2018 at previous Council meetings, WHA Board meetings, the WHA CMO survey, and other member contacts. *(continued on page 6)*

TWO WHA-SUPPORTED PROVISIONS INCLUDED IN OPIOID PACKAGE SIGNED BY PRESIDENT TRUMP

Lifts federal regulations for substance use treatment via telehealth and IMDs

President Donald Trump signs a bill with measures to fight the opioid crisis on October 24, 2018 in Washington, D.C. (Photo: Brendan Smialowski, AFP/Getty Images)

President Donald Trump signed a comprehensive opioid package dubbed "The Support for Patients and Communities Act" on October 24. The legislation encompassed months of work by the U.S. House and Senate and passed with nearly universal support in a rare bipartisan effort. While the legislation primarily focused on federal agency reforms, such as ordering new studies, recommendations, and guidelines for the various federal agencies that oversee substance use treatment, it included two positive reforms that WHA targeted its advocacy efforts on in Washington, D.C. during its May fly-in and subsequent visits, as covered by a previous *Valued Voice* article.

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Two WHA-Supported Provisions Included in Opioid Package Signed by President Trump . . . Continued from page 1

In a June letter to Wisconsin Congressional members, WHA President/CEO Eric Borgerding asked lawmakers to support three important opioid treatment reform bills that would "remove barriers in Medicare and Medicaid and improve outcomes in Wisconsin and across the nation." The first, which was included in the final package, will lift regulations that currently bar Medicaid from funding most substance use treatment at Institutions of Mental Disease (IMDs)—facilities that have more than 16 beds. Wisconsin currently has 10 licensed short-term inpatient IMDs and an estimated 20-plus facilities that provide longer-term treatment and meet IMD criteria. Opening these locations to Medicaid treatment will help get more patients care where and when they need it, and will hopefully reduce reliance on hospital emergency rooms.

A second provision supported by WHA and included in the final package will ease Medicare's "geographic originating site restrictions" for telehealth. These restrictions currently only allow Medicare to pay for telehealth services in certain rural areas and require patients to physically travel to a health care facility. Beginning in July 2019, the rural geographic restrictions are eliminated for substance use or co-occurring mental health treatment. Direct treatment in a patient's home will also be allowed.

A third provision supported by WHA made it past the House, but, unfortunately, stalled in the Senate and was not included in the final package signed by President Trump. For years, WHA has advocated for aligning 42 CFR part II with the Health Insurance Portability and Accountability Act of 1996, better known as HIPAA. This would allow providers to share substance use and behavioral health records in the same manner they can share other patient health care records, while still providing the HIPAA protections patients expect and trust. WHA will continue to advocate for changing this outdated law in order to improve patient care.

For a full summary of the provisions included in the final opioid package, see the committee summary or contact WHA's Director of Federal and State Relations Jon Hoelter for more information.

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. *(continued on page 3)*

CMS Issues Final 2019 Physician Fee Schedule Rule . . . Continued from page 2

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.

NEW REPORT ANALYZES WISCONSIN PSYCHIATRY SHORTAGE

WHA-backed grant program creates more psychiatrists for Wisconsin

One of WHA's top priorities is ensuring an adequate supply of physicians now and in the future to care for Wisconsin communities. A public policy solution created by WHA and the Wisconsin Department of Health Services Graduate Medical Education (DHS GME) matching grant program, is making headway at addressing critical physician shortages, but as a recently released report by the Wisconsin Policy Forum notes, the progress must accelerate and continue.

The Forum's report assesses statewide coverage by Wisconsin's 759 psychiatrists. The report notes there is significant regional variation, with the worst shortages experienced by counties in the northern half of the state: "Twenty of Wisconsin's 72 counties have no practicing psychiatrists and 10 more counties have less than one full-time equivalent psychiatrist because they share one with multiple counties."

WHA Chief Medical Officer Chuck Shabino, MD, notes the value of the GME grants in addressing the issue.

"These grants are targeted at specialties with the worst shortages, like psychiatry, and preference is given to rural applicants where the shortages have a great impact," Shabino said. "Comparing shortage maps to WHA's GME map demonstrates growth is occurring in areas of greatest shortage."

With the support of DHS GME grants, new Medical College of Wisconsin psychiatry residency programs in northeastern and central Wisconsin opened in 2017, and UW Hospitals and Clinics psychiatry rural residency training tracks expanded to Ashland and other rural counties in 2014.

"Creating psychiatric residencies in rural and underserved areas not only increases the number of psychiatrists in the pipeline, it increases the likelihood those residents will stay and practice in rural Wisconsin," notes Ann Zenk, WHA Vice President of Workforce

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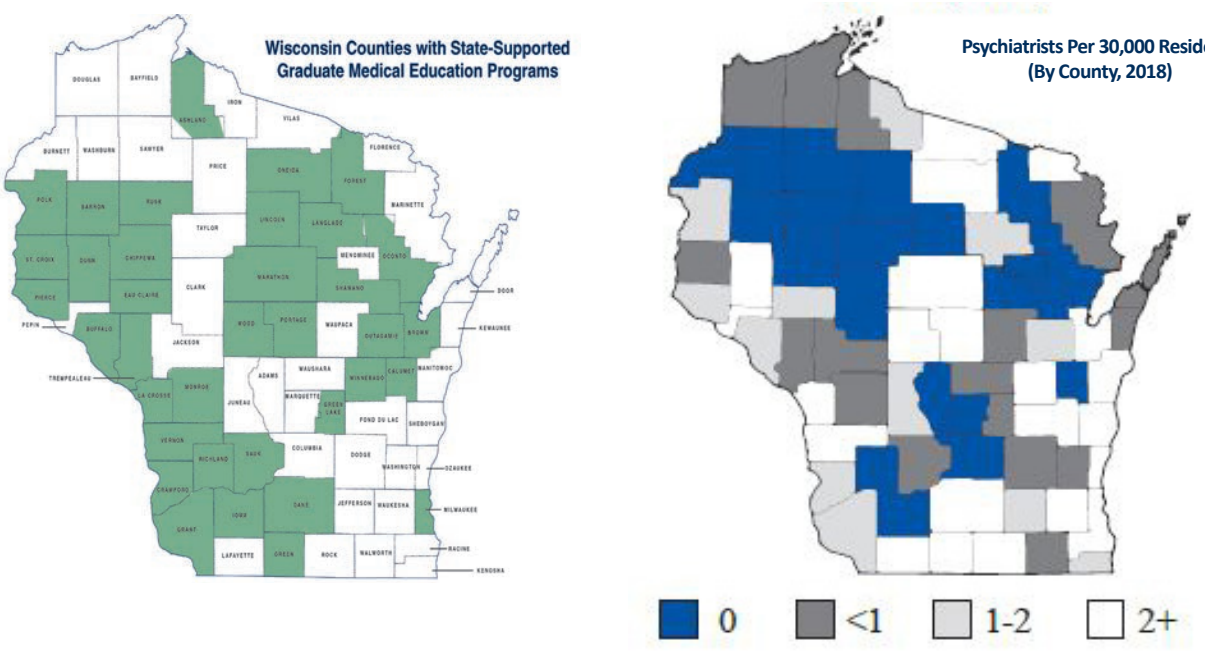
New Report Analyzes Wisconsin Psychiatry Shortage . . . Continued from page 3



New state-supported GME programs in northcentral and northeast Wisconsin and expansion of rural training tracks create Psychiatry residencies in counties with no psychiatrists, as well as counties sharing one psychiatrist for multiple counties.

and Clinical Practice. She added, "The new and expanded programs will result in 37 additional physicians enrolled in Wisconsin-based psychiatry residency and addiction fellowship programs by July 2020. We know that Wisconsin students who attend a Wisconsin medical school and complete a Wisconsin residency are 86% more likely to remain in Wisconsin to practice."

MCW Northeast Wisconsin Psychiatry Residency Program - 4 year residency; 4 residents enrolled per year

Jul-17	Jul-18	Jul-19	Jul-20	Jun/Jul-21	June/Jul-22	Jun/Jul-23	Jun/Jul-24
1st class - PGY 1	1st - PGY 2	1st - PGY 3	1st - PGY 4	4 new psychiatrists			
	2d class - PGY 1	2d - PGY 2	2d - PGY 3	2d - PGY 4	4 new psychiatrists		
		3d class - PGY 1	3d - PGY 2	3d - PGY 3	3d - PGY 4	4 new psychiatrists	
			4th class - PGY 1	4th - PGY 2	4th - PGY 3	4th - PGY 4	4 new psychiatrists
				New PGY 1 class begins; cycle repeats			

PGY - Program Year

Total New Psychiatrists = 16

The residency pipeline is full in July 2020 for the Medical College of Wisconsin (MCW) Northeast Wisconsin Psychiatry Residency Program. This pipeline will produce four new psychiatrists for Wisconsin every year thereafter. MCW Northeast Wisconsin is one of five psychiatry programs created or expanded with support from the WHA-created DHS GME matching grant program.

"It is rewarding to see the GME grant program, a public-private partnership crafted between Wisconsin hospitals and state policymakers, moving forward toward fulfillment of our mutual objectives of expanding the number of primary care physicians, psychiatrists, and other needed physicians in Wisconsin," said WHA President/CEO Eric Borgerding.

The WHA-backed DHS GME program is gaining traction, but with 55 of 72 Wisconsin counties having a psychiatrist shortage and 113 of Wisconsin's psychiatrists 65 or older, sustained and accelerated support is needed to fill and grow Wisconsin's psychiatrist pipeline.

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 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.

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.

WHA Physician Leaders Council Guides MD Regulatory Burden Agenda . . . Continued from page 1

The Council also discussed WHA federal advocacy focused on regulatory relief, particularly the Centers for Medicare & Medicaid Services (CMS) 2019 physician fee schedule proposed rule. That rule included several proposed coding changes and consolidation CMS indicated are intended to reduce physician documentation burden. (See previous WHA newsletter article and the WHA comment letter.

The CMS proposal illustrated potential challenges and tradeoffs involved in reducing some types of documentation burdens related to billing and reimbursement. To help guide WHA's physician regulatory burden agenda, the Council also provided guidance to help WHA find the right policy balance between the desire of providers to be scored utilizing precise measures versus the documentation burdens related to support higher levels of precision.

Physician Assistant Scope of Practice Legislation

WHA was recently approached by the Wisconsin Academy of Physician Assistants (WAPA) regarding legislation that WAPA would like to introduce in 2019 that would, among other things, change the existing supervision relationship between a physician assistant and a physician.

At the June Council meeting, the Council identified regulatory changes addressed in the bill that could appropriately reduce physician oversight burden of Physician Assistants, but also identified concerns that parts of the draft bill would create a misalignment with federal payment policy, thus putting organizations at risk.

As a follow up to the June discussion, the Council reviewed potential alternative bill language developed by WHA staff to address the Council's June recommendations. Following that input, WHA will work with WAPA with the goal of addressing those recommendations in any future legislation.

New CMO Track at 2019 WHA Physician Leadership Development Conference

WHA staff shared the agenda for the 2019 WHA Physician Leadership Development Conference at the American Club in Kohler March 15-16, 2019. In addition to the traditional education track for developing physician leaders, the 2019 conference will feature a second Saturday morning educational track specifically for CMOs and senior-level physician leaders that will include both a speaker and a guided round table discussion focusing on navigating challenges facing senior physician leaders. Registration for the conference will open in November.

November Election and Impacts on Health Care

WHA staff provided the Council with an analysis of the November election and potential impacts on WHA's 2019 public policy agenda.

If you have questions about the WHA Physician Leaders Council, contact Chuck Shabino, MD, WHA CMO, or Matthew Stanford, WHA General Counsel.