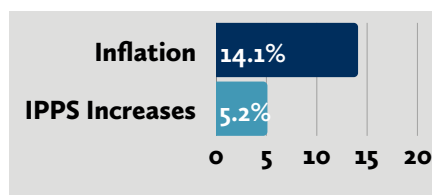
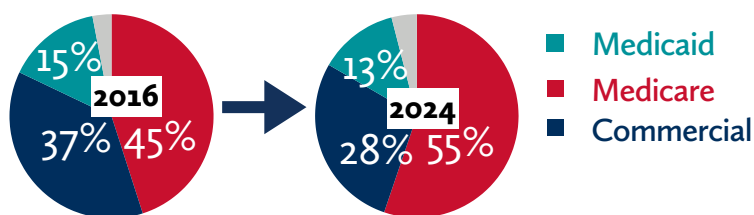


# How Medicare Underpayments & Medicare Advantage Prior Authorization Impact Hospitals

Aging demographics and stagnant Medicare rates are eroding hospital payments as Wisconsinites age and move off commercial insurance onto Medicare.

From 2016-2023 the Average Payor Mix for a Wisconsin hospital has seen **Medicare grow from 45% to 55%** while **commercial has shrunk from 37% to 28%**.

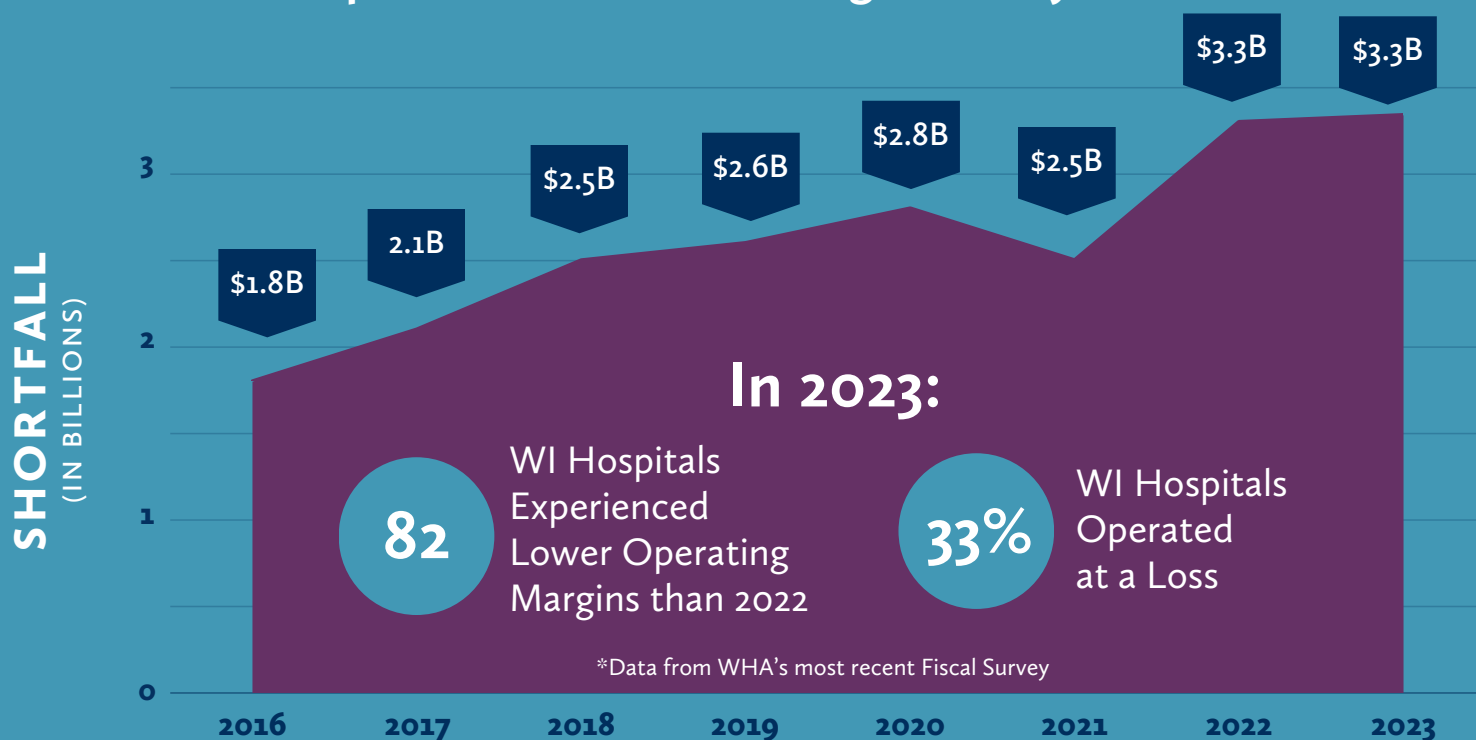


Inflation growth was more than double the growth in IPPS reimbursement, 2022-2024.



Wisconsin's rank for the percentage of its population on Medicare

## Annual Medicare Underpayments to Wisconsin Hospitals Have Increased Significantly Since 2016





**Prior Authorization was supposed to save money. Instead, it's adding to the high cost, bureaucracy and headaches of the U.S. Health Care System.**



87% of commercial claims initially denied get overturned.



Certain payers can routinely take 6 months or more to process claims.



Some payers require appeals to be paper mailed, and can take no less than 60 days.

\*Results from WHA Member Survey

## **Please Support Reintroduction of The *Improving Seniors' Timely Access to Care Act***

**Legislation to Reform Prior Authorization for Medicare Advantage Plans**



Establish Electronic Prior Auth Standards



Reduce Prior Auth Waiting Times



Require Insurer Prior Auth Transparency Metrics



Encourage Evidence-Based Guidelines