



ROB SUMMERFIELD

STATE REPRESENTATIVE • 67th ASSEMBLY DISTRICT
MAJORITY CAUCUS CHAIR

February 14, 2024

Representative Moses, Chair

Members of the Assembly Committee on Health, Aging and Long-Term Care

Testimony on 2023 Assembly Bills 1077 and 1078

Relating to: funding for hospital emergency department services

Relating to: transfer from the state building trust fund to the general fund, funding for grants to support hospital emergency department services, and making an appropriation

Chairman Moses and Committee Members:

Thank you for providing me with the opportunity to testify at today's public hearing on Assembly Bills 1077 and 1078. I appreciate your time and consideration of this legislation.

On January 22, the Hospital Sisters Health System (HSHS) announced that they decided to close HSHS Sacred Heart Hospital in Eau Claire and HSHS St. Joseph's Hospital in Chippewa Falls. They also announced they will be closing 19 Prevea Health Clinics in the same area.

The closure of these hospitals and clinics will have an immense effect on Western Wisconsin. This closure will affect 1,407 employees throughout the Chippewa Valley and displace thousands of patients. After the closure, Chippewa Falls, a community of 15,000 people, will no longer have a hospital in their city. The lack of an emergency department in Chippewa Falls will lead to increased emergency response times.

Assembly Bills 1077 and 1078 respond to this dire need in Western Wisconsin by transferring \$15 million from the Building Trust Fund to the supplemental fund to create a one-time grant program related to hospital emergency department services in Chippewa and Eau Claire Counties.

The funds were already allocated to our area in the 2021-2022 budget. The appropriation schedule for this money has expired, so the funds need legislative action to be used. This legislation frees these funds that are currently stuck in the Building Trust Fund and puts them to a worthy and necessary use in our community. Emergency departments are an essential piece of every community to ensure the safety and well-being of our citizens. This bill is a step in the right direction.

Thank you again for hearing this legislation and I ask that you join me in supporting this bill.



February 14th, 2024

Members of the Assembly Committee on Health, Aging and Long-Term Care

Testimony on 2023 Assembly Bills 1077 & 1078

Relating to: funding for hospital emergency department services

Relating to: transfer from the state building trust fund to the general fund, funding for grants to support hospital emergency department services, and making an appropriation

Dear Chairman Moses, Vice-Chair Rozar, and Committee Members:

Last month, Hospital Sisters Health System, or HSHS, announced they would be closing their two hospitals in the area and leaving the region within 90 days. These closures will cost at least 1400 people their jobs and displace thousands of patients who will be unable to access care.

HSHS leaving the Chippewa Valley will have a significant impact on our area. Last year alone, both HSHS ER departments saw over 22,000 patients. There will no longer be an emergency department in Chippewa Falls, requiring ambulances to travel at least 13 additional miles during times of crisis, but for rural areas, it will be much longer. We are also losing 104 medical beds, 28 ICU beds, and all PREVEA urgent care centers are closing.

Back in the 2021-22 budget, the state approved \$15 million for HSHS to expand their psychiatric bed capacity in Northwestern Wisconsin. However, HSHS never came to the state to get the money, and now the \$15 million is just sitting in the Building Trust Fund (BTF). The appropriation schedule has also expired, so the funds need explicit legislative action to be used at this point.

Assembly Bills 1077 and 1078 would transfer the \$15 million originally intended for HSHS in the BTF to the supplemental fund and create a one-time grant program for capital expenditures related to hospital emergency department services in Chippewa and Eau Claire Counties. This move is meant to create a short-term bridge while the other area providers are able to scale up their capacity.

The state legislature already approved \$15 million to be spent supporting healthcare in the Chippewa Valley. The region's healthcare needs have since changed in the wake of this announcement. We need help and repurposing these funds would be a great first step in the right direction.

Thank you again for allowing me to testify in support of this important legislation. I am happy to take any questions.

Respectfully,

Senator Jesse James
23rd Senate District

DERRICK VAN ORDEN
THIRD DISTRICT, WISCONSIN

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COMMITTEE ON TRANSPORTATION
& INFRASTRUCTURE

COMMITTEE ON VETERANS' AFFAIRS

SUBCOMMITTEE ON ECONOMIC OPPORTUNITY:
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Congress of the United States
House of Representatives
Washington, DC 20515

February 13, 2024

Members of the Wisconsin Legislature,

The imminent closure of two Hospital Sister's Health System's hospitals and all the Prevea clinics in western Wisconsin will create a health care crisis for the Chippewa Valley and the surrounding region.

With other hospitals in the area at or near capacity, these closures present a threat to public health and safety in the community. The impact will also have secondary and tertiary effects on the community at large, including in our neighboring states of Minnesota and Michigan. Rural communities like the Chippewa Valley are continuously left on the sidelines when it comes to accessible healthcare, and these hospital closures will only make it more difficult for Wisconsinites to get the medical care they need.

I hope you all, in your capacity as Wisconsin State Legislators to do everything in your capacity to ensure people have access to care.

That said, I urge you to support A.B. 1078/S.B.1014 and A.B. 1077/S.B. 1015 which will repurpose \$15 million in unspent state funds for the healthcare needs in the Chippewa Valley. These funds present an opportunity to help meet immediate needs while longer term solutions are formulated and implemented.

I appreciate the work of our area legislators to take prompt action in light of the gravity of this regional crisis.

Sincerely,

A handwritten signature in black ink that reads "Derrick Van Orden". The signature is fluid and cursive, with a long horizontal stroke at the end.

Derrick Van Orden
Member of Congress
U.S. House of Representatives



State of Wisconsin
Department of Health Services

Tony Evers, Governor
Kirsten L. Johnson, Secretary

TO: Members of the Assembly Committee on Health, Aging and Long-Term Care

FROM: HJ Waukau, Legislative Director

DATE: February 14, 2024

RE: AB 1077 relating to: the transfer of funds from the state building trust fund to the general fund and funding for hospital emergency department services
AB 1078 relating to: funding for hospital emergency department services

The Wisconsin Department of Health Services (DHS) would like to submit written testimony for information only on Assembly Bills 1077 and 1078 (AB 1077 and 1078), relating to the transfer of funds from the state building trust fund to the general fund and funding for hospital emergency department services. AB 1078 specifies the Joint Committee on Finance (JCF) may provide up to \$15 million in grants to health systems that commit to providing hospital emergency department services in Chippewa County or Eau Claire County and agree to use grant funds for capital expenditures to aid in providing hospital emergency department services in Chippewa County or Eau Claire County. AB 1078 further specifies that DHS may submit a request to JCF for funding, which JCF may approve or deny, identifying each health system request, its related expenditures, and prioritizing awards supporting hospital emergency department services in Chippewa County. Total funding may not exceed \$15 million. Additionally, recipient health systems are required to submit to DHS a report detailing the total award, how it was used, and its impact; which will then be sent to the legislature. AB 1077 appropriates \$15 million for the purposes of this funding initiative.

Recently, Hospital Sisters Health System (HSHS) announced that they plan to close St. Joseph's Hospital of Chippewa Falls and Sacred Heart Hospital of Eau Claire. These closures are estimated to impact 1,400 workers and 26,300 Medicaid members in the region.

AB 1077 and AB 1078 will reallocate funds previously approved for HSHS from the state building trust fund to help strengthen regional capacity so that Wisconsin residents can maintain access to high quality healthcare. However, as the bills are currently drafted, DHS could only provide funds for emergency department services capital expenditures. DHS recommends that the bills be modified to allow additional flexibility in how DHS could allocate the grant funds so that they are not solely focused on capital expenditures for emergency departments. DHS is especially concerned about a loss of care for patients with ongoing care needs, pregnant women, and those with mental health, behavioral health, and substance use disorders; who were served by HSHS in this capacity. Expanding the allowable uses of funds under the bill would allow the Department and the legislature time to work with stakeholders to identify the most pressing needs and remaining gaps in services as remaining healthcare providers work with HSHS and Prevea patients to transition care. The Department's submission of a plan to JCF would then reflect these needs, ensuring the final resources are distributed in a way that most benefits the community.

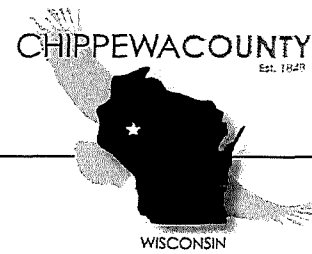
DHS also requests that the bills be modified to expand the scope of this investment to the entire region. Our healthcare workforce is in crisis, and residents across the state are struggling to access quality care. The situation with HSHS's closures and its impact for the region, is a rapidly evolving situation. Modifying the bills to allow more flexibility and a wider distribution would maximize the impact of this critical investment.

DHS will continue to work with healthcare providers throughout the region to increase access for patients of HSHS and Prevea. DHS is facilitating conversations between the leadership of HSHS and Prevea Health, and the leadership of other regional healthcare systems, to urge the systems to increase transparency in their planning and decision-making. DHS is also working with health plans to make sure our Medicaid members maintain access to care and leveraging our partnerships to connect potential employers with healthcare workers.

DHS welcomes dialogue with the bill authors to modify AB 1077 and 1078 and is happy to meet with the authors to discuss these recommendations in more detail. Further, DHS thanks the Committee for the opportunity to provide written testimony for information only and offers itself as a resource for the Committee.

Department of Administration

Randy B. Scholz, County Administrator



February 14, 2024

TO: Committee on Health, Aging and Long-Term Care
FR: Randy Scholz, Chippewa County Administrator
RE: Speaking in Support of Assembly Bill 1077 and Assembly Bill 1078

My name is Randy Scholz, I am the Chippewa County Administrator. I am responsible for the day-to-day operations of Chippewa County. I am here on behalf of the Chippewa County Board of Supervisors and myself to support AB 1077 and AB 1078. Last night the Chippewa County Board of Supervisors took formal action to authorize myself and the County Board Chair to come before you today to testify in favor of these two Bills.

Over the last few weeks Chippewa County has been determining the impact of the news that two health systems are closing in Chippewa and Eau Claire County. The breadth of that impact would take all day to cover. The emergency rooms closing alone will have a devastating impact to our jail and patrol staff, requiring many more hours for our deputies and jailers transporting individuals for a variety of health issues, ranging from detox to heart attack. While the exact cost is not known, we do know it will be increase to our budget. It will also affect our employees that get injured on the job.

The news that two major hospitals and numerous clinics were closing devastated the residents of Chippewa, Eau Claire Counties and many other communities in the area and even outside of the area. Since the news broke, there have been a number of meetings held involving every level of government from local, state, and federal representatives. The message we keep hearing is that the need for emergency services is the highest priority. This is not to diminish the vast reaching effects of the closures to other areas of health care in the region and across the state. The doctors that are in charge of taking care of patients, day in and day out, have stated that we need to keep patients alive in order to treat them further and many times emergency services are the first step in doing that.

It is not for dramatic effect when doctors say if we are not able to keep the emergency rooms open people will lose their lives. I have heard many times before the news of the hospital closures, that the emergency rooms at the health systems in both Chippewa and Eau Claire County are on diversion almost every day. I am sure others will have a better number, but I have heard that over 1,400 patients go by ambulance just to the ER in Chippewa County each year. Where will they go when not only the Chippewa County ER is closed but also the HSHS ER in Eau Claire County?

I have been in county government for over 25 years. I know the work it takes to get things done and the time it normally takes is too long. This is one issue that needs to be addressed immediately; literally lives are hanging in the balance. What I have heard from doctors in the meetings over the last few weeks is there are many facets to operating an ER. **I would ask that these funds be used for all services regarding operating an ER and not just utilized for capital expenditures.**

I am requesting that in AB 1078 line nine the word capital be removed. The bill would then read. *"The health system agrees to use any grant moneys received to fund ~~capital~~ expenditures to aid in providing hospital emergency department services in Chippewa County or Eau Claire County."* This would allow expenditures to be used for capital and operations, like blood test, imaging, and for staff like doctors and nurses. The health system needs to submit a grant and will be able to explain to the Joint Committee on Finance the complexity of running an ER.

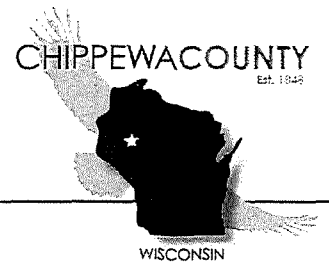
We thank Representatives Summerfield & Hurd for bringing these bills forward, for anyone signing on in support, and for voting in favor of the bills. This is not a bailout of a health system, this is saving lives and giving hope to a community that has not had much hope over the last few weeks. Unless you are or have been someone that has served in a position as a doctor, nurse, fire fighter, law enforcement, or the military positions, I call these hero positions, you probably have never saved a person's life or known what that feels like. If you support these bills, you will. Thank you for your time today.

A handwritten signature in black ink that reads "Randy Scholz". The signature is written in a cursive style with a large, stylized 'R' and 'S'.

Randy Scholz
Chippewa County Administrator

Chippewa County Board

Dean Gullickson, County Board Chair
dgullickson@chippewacountywi.gov



February 14, 2024

TO: Committee on Health
FR: Dean Gullickson, Chippewa County Board Chair
RE: Speaking in Support of Assembly Bill 1077 and Assembly Bill 1078

My name is Dean Gullickson. I reside at 9924 Hwy Q, Chippewa Falls, WI 54729. I am also the current Chairman for the Chippewa County Board of Supervisors. I am here to speak on Assembly Bill 1077 and Assembly Bill 1078.

I support Assembly Bill 1077 and Assembly Bill 1078 for the following reasons:

- Chippewa County and Eau Claire County are losing two hospitals and their emergency services. The services they provide are a critical part of the emergency services network in our area.
- St. Joseph's Hospital is one of the hospitals we will lose and it is located in Chippewa Falls. The only other hospital we have in Chippewa County is the Bloomer Hospital and that is part of the Mayo Health System. The Mayo Health System has increased their capacity to try and compensate for the increased demand on our health care needs. This means patients from the Eau Claire Mayo Health System will be transferred to the beds at the Bloomer Hospital. Limited services will be available for Chippewa County.
- Chippewa County has a population of approximately 67,000 people. We have a number of large-scale events that are held in Chippewa County over the summer and when the tourists come to Chippewa County our demand for emergency services greatly increases. One of the Chippewa County summer events draws over 30,000 people and we have four events of this type scheduled for 2024. When we add these individuals, along with all of the summer tourists who come to their cabins on our many lakes and visit our parks, this number easily doubles.
- The Department of Natural Resources says one million people per year visit the Ice Age Trail. The Obey Center located in the Chippewa County portion of the Ice Age Trail is one of the highlights of the Ice Age Trail and draws a number of visitors. To sum it up, having only one hospital in Bloomer is not enough to provide the required emergency services in Chippewa County.
- Chippewa Falls also supplies the mental health services from Hudson to Chippewa Falls and from Spooner to Chippewa Falls. All of these services for these counties and communities will be lost when the doors close.

The transfer of the Funds identified in Assembly Bill 1077 and Assembly Bill 1078 are critical if we are going to have a chance to provide the medical needs in Chippewa County. Our emergency departments and emergency services are already stressed beyond their capabilities. Our emergency personnel have told me people will die due to lack of emergency rooms and due to longer time and distances they must travel. One EMT told me "I can't tell you how often the time difference of 5 to 10 minutes meant the difference between life or death for our patients. There have been so many times."

Our volunteer ambulance personnel are working double shifts while trying to hold down their other jobs. It's time for us to step up to the plate and pass Assembly Bill 1077 and Assembly Bill 1078. By doing so we can help get the required services in pace to not only save lives, but save our EMT's, ambulance drive times, and medical staff from the burnout they are already experiencing. *Chippewa Falls and Chippewa County people are great people. Let's help them in this time of need.*

Thank you,

A handwritten signature in black ink that reads "Dean Gullickson".

Dean Gullickson
Chippewa County Board Chair



Marshfield Clinic Health System

Testimony on Assembly Bill 1077 & 1078

Brian Hoerneman, MD
Interim-CEO, Marshfield Clinic Health System

Assembly Committee on Health, Aging, and Long-Term Care
February 14, 2024

Chairman Moses, Ranking Member Subeck and members of the Assembly Committee on Health, Aging, and Long-Term Care, thank you for the opportunity to provide testimony on Assembly Bills 1077 and 1078. My name is Brian Hoerneman and I am an emergency room physician and the interim CEO for Marshfield Clinic Health System.

Just over three weeks ago, Hospital Sisters Health System (HSHS) unexpectedly announced it was shutting down Sacred Heart Hospital in Eau Claire and St. Joseph's Hospital in Chippewa Falls. In addition, Prevea Health announced it was closing all 19 of its clinics in Western Wisconsin. The hospitals informed patients that they will be closed by mid-March. And all of the other care delivery sites will be closed by mid-April. This accelerated timeline has created widespread concern and uncertainty for the entire region.

The closings will have a significant impact on the delivery of health care in Western Wisconsin and demonstrate the tenuous status of healthcare in all of rural Wisconsin. These hospitals cared for over 40,000 patients. In 2022, there were over 140,000 annual visits including over 22,000 emergency visits. That was 35% of all the emergency room visits in the Chippewa Valley. This is a devastating loss of hospital and emergency room capacity. Importantly, these hospitals were part of the safety net of the communities and would care for patients, regardless of their ability to pay. A significant majority of the patients, 73% of those cared for at these hospitals, had Medicare or Medicaid as a reimbursement source and those programs provide insufficient reimbursement to cover the cost of their care.

In addition, these hospitals were projected to care for over 900 pregnancies this coming year.

The reverberations of the loss of Sacred Heart and St. Josephs are becoming clearer every day. Unfortunately, there are no easy or quick fixes.

Patients in the region are likely to see disruptions or delays in accessing care, particularly those with specialized needs or limited transportation options. Our efforts are focused on reducing the length and extent of that disruption, but we have limited capacity to take on that responsibility given our own tenuous situation.

The number of impacted patients will likely expand well beyond the patients in the closing hospitals and will be felt by the broader healthcare system in western Wisconsin. With insufficient capacity in the region, patients will need to be transitioned to other facilities in the region, this will impact the wait times, availability of specialists, and overall access to care for the patients who are currently receiving care in other systems.

Another impact is the over 1,400 healthcare employees that worked for HSHS and Prevea. It is important that we work to keep that workforce in the Chippewa Valley before they leave to other

areas. Our HR department has been hosting job fairs and doing expedited interviews to retain staff that can help us meet the needs of the community.

Patients expect to have access to basic health care services in our communities. But that expectation is becoming more and more challenging to deliver on, especially in rural areas.

MCHS has been involved in caring for patients across rural Wisconsin since our founding over 100 years ago. I cannot imagine a more difficult operating environment than the one we find ourselves in today. Increased labor costs, rapidly rising supply costs, dwindling reimbursement rates, and the lingering impact of the COVID-19 epidemic have created a perfect storm of challenges for systems like MCHS. These circumstances present an existential threat to the care delivery system in rural Wisconsin. What is currently happening in Eau Claire is likely to occur in other communities in the northern half of Wisconsin sooner than many realize if we do not immediately address funding issues related to non-profit hospital care.

At Marshfield Clinic we are making investments in response to these hospital closures, including expanding our labor and delivery capacity by over 500 births a year. We are currently looking at different ways to expand our emergency and urgent care presence in Eau Claire and Chippewa Falls. We hope to have plans that we can announce in the coming weeks.

We are making these investments because it is part of our mission, and this is what our community needs. Having said that, we will not be able to maintain these services if there is not a significant investment in sustainable funding changes. These services are all projected to lose money for the foreseeable future. One of the reasons for this is the large amount of Medicaid and Medicare patients that use these services. The closing hospitals had a patient mix that included primarily Medicaid and Medicare patients. Low reimbursement rates make caring for patients with those payor sources unsustainable for any healthcare system. It is my hope that we can work together to find ways to make rural health care sustainable in Wisconsin.

I want to thank the authors for acting quickly and putting forward this funding proposal to help the Chippewa Valley. To ensure these funds can be used we would encourage looking at expanding some of the language in the bill and we are happy to work with the authors to make any adjustments to accomplish this.

The funding needs to address the challenges we currently face in the Chippewa Valley and rural Wisconsin are much larger than we can accomplish in just this bill, but I'm confident that together we can meet them head on.

Thank you for allowing me to testify on this important topic. There are more issues to discuss than I have time for in my testimony, but I am happy to take any questions you might have.



February 14, 2024

To: Chair Moses
Members of the Committee on Health, Aging and Long-Term Care

From: Wisconsin Primary Health Care Association

Re: In support of Assembly Bill 1078, Funding for Hospital Emergency Department Services in the Eau Claire/Chippewa Valley region

Chair Moses and Members of the Committee, thank you for the opportunity to testify on behalf of Wisconsin's Federally Qualified Health Centers (FQHCs), or Community Health Centers. Several Community Health Centers provide primary medical care, behavioral health as well as dental services in and around the surrounding communities of the Eau Claire and Chippewa Valley region.

My name is Sashi Gregory, and I am the Director of Policy and Research at the Wisconsin Primary Health Care Association. The Wisconsin Primary Health Care Association (WPHCA) is the member association for Wisconsin's 19 Federally Qualified Health Centers (FQHCs, or Community Health Centers). Community Health Centers are non-profit, community-directed primary care clinics providing medical, dental and behavioral health services. In Wisconsin, Health Centers served nearly 300,000 patients in 2022. Over 60% of CHC patients have incomes below 200% of the federal poverty level, and nearly 60% are insured by Medicaid with another 17% who are uninsured.

Since the announcements about closures in Western Wisconsin, WPHCA has been working closely with our members in the impacted region of the state, including NorthLakes Community Clinic, Family Health Center, and Scenic Bluffs Community Clinic to assess the impact of the Prevea/HSHS closings on the patients and communities they serve.

Like many in the communities effected, Community Health Centers are concerned with the impact that the announced hospital and clinic closings will have on access to a multitude of health services for people throughout the region. Services ranging from primary care, behavioral health, occupational and physical therapy, cancer treatment to obstetrics and emergency care are all of concern, especially access for those facing barriers to care exacerbated by income restraints, long travel distances, as well as current long waiting lists for services.

We are encouraged by the bipartisan interest in stabilizing the health care system in Western Wisconsin and for the commitment in AB 1078 to support access to emergency services. We would also encourage policymakers to consider prioritizing support for behavioral health services. Psychiatric services for adolescents and adults and inpatient recovery are already limited and will be drastically impacted by the announced closures, and maintaining as well as increasing services at both the regional and statewide level should also be prioritized.



Based on input from our members in the area, maintaining both emergency services and stabilization for behavioral health and substance use disorder services is essential. WPHCA is also concerned about reduction in access to basic preventative medical services in Western Wisconsin, and Community Health Centers are actively evaluating their potential response to the changes, including expanding service areas and new partnerships. Individuals who are uninsured and low-income will be especially vulnerable.

We encourage policymakers to engage directly with Community Health Centers to assess opportunities to stabilize the primary system broadly, as preventative care will keep individuals out of emergency rooms and mitigate acute health crises. Consistently, investments in primary care are proven to be a sound investment in the health care system. Local, non-profit Community Health Centers can be a part of that solution.

Thank you for the opportunity to testify on behalf of Wisconsin Community Health Centers and their patients, and for your attention to the health care changes in Western Wisconsin. We support the funding proposed in AB 1078 and also underline the much-needed inpatient and outpatient behavioral health services in the region affected by health system closings.

Sincerely,

Sashi Gregory
Director of Policy and Research
Wisconsin Primary Health Care Association
sgregory@wphca.org | (608) 571-6192

THE CITY of *Altoona*

February 12, 2024

To: Wisconsin legislature

From: City of Altoona, WI

Re: Assembly Bills 1078 and 1077
Senate Bills 1014 and 1015

As you may be aware, the imminent closure of two HSHS hospitals and all of the Prevea clinics in western Wisconsin has created a health care crisis for residents of the Chippewa Valley and the surrounding region.

I appreciate all efforts by the Wisconsin legislature to take steps to mitigate some of the impacts the closures will have on those needing continued and new health care. AB 1078/1077 and SB 1014/1015 are bills that would go a long way to address some of the most urgent gaps in medical services created by the closures. The City of Altoona supports these bills, which repurpose \$15 million in unspent state funds originally intended for mental healthcare needs in the Chippewa Valley. I only request that the language be expanded to allow the funds to be used for addressing urgent medical needs in the region beyond emergency room access. In my opinion, the language related to how the funds may be used is too narrow in scope.

We appreciate the work of our area legislators to take prompt action in light of the gravity of this regional crisis.

Sincerely,



Mike Golat
City Administrator



To: Wisconsin Legislature
From: Sal Braico, CEO, Pivotal Health, Inc.
sal.braico@pivotalhealth.care, Direct: 608-213-8246
Date: February 14, 2024
Re: Senate Bills 1014 and 1015 and Assembly Bills 1077 and 1078

My name is Sal Braico. I am the co-founder and CEO of Pivotal Health, a healthcare organization headquartered in Middleton, WI, with additional offices in Green Bay and Oshkosh, WI. I have lived in Wisconsin for 24 years and have worked in the healthcare industry for over 22 years. I am a healthcare entrepreneur and have started, operated, and grown multiple healthcare companies over that time.

The sudden closure of two hospitals and multiple healthcare clinics in western Wisconsin is an unprecedented situation that has created a healthcare crisis for the residents of that region and a jobs crisis for over 1,400 providers and other healthcare workers. I personally have spoken with several providers in the area who are interviewing for positions outside of Wisconsin. We must keep these talented people from moving to Minneapolis and Chicago.

We can turn this dire situation into an opportunity — an opportunity to re-invent healthcare in Wisconsin for the 21st century. The old way of doing things led us into this crisis. We need fresh thinking from entrepreneurs, not just big hospital chains, to dig us out.

I support Senate Bills 1014 and 1015 and Assembly Bills 1077 and 1078. Repurposing these funds to help solve the healthcare crisis is a worthy investment. But we recommend broadening the language in the bills to allow any healthcare organization to receive funding. It could be a non-profit like the Red Cross, a health system, or an innovative, quick-moving company like Pivotal Health.



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We also recommend expanding the use beyond emergency department services to include urgent care services. Emergency department care is the most expensive type of healthcare. Average emergency department visits cost thousands of dollars, while multiple studies show that at least half of emergency department patients could be treated in an urgent care clinic or even at home. It is critical to get patients to the most appropriate level of care. That ensures emergency department access for patients who really need it and also dramatically lowers the overall cost of healthcare.

Pivotal Health is making healthcare easier for consumers and our providers with our platform for clinician house calls. We are leveraging tech in smart ways so our Pivotal Health providers can drive to see patients in their homes, apartments, dorm rooms, offices, and even on job sites to provide urgent care and primary care services. We've completed over 10,000 visits since 2021 across Wisconsin.

We have a team of providers in the Eau Claire region who asked us to bring our model up there and hire them. We can start seeing patients in March, but we must move quickly.

Passing these bills, with flexibility for innovators like us, could be a game changer for healthcare in all of Wisconsin, not just western Wisconsin. We have a chance to leapfrog other parts of the country and make Wisconsin a hub of 21st-century healthcare. The potential is enormous, but only if we have the courage to think differently.

Page 2 of 2



ADVOCATE. ADVANCE. LEAD.

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TO: Members of the Assembly Committee on Health, Aging and Long-Term Care

**FROM: Eric Borgerding, President/CEO
Kyle O'Brien, Senior Vice President Government Relations**

DATE: February 14, 2024

RE: Support for Hospital Funding Legislation – Assembly Bill 1077 & 1078

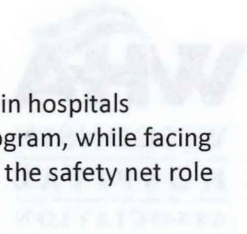
For over a century, the Wisconsin Hospital Association has advocated on behalf of its members as they serve their local communities. Every year, we communicate the quantitative community benefits that hospitals provide while also sharing dozens of stories regarding care that is made possible by a local hospital.

While most appreciate the role of their local hospitals and the work they do every day, extending far beyond the walls of a hospital, some take it for granted. Today, in the Chippewa Valley, that is not the case. The headlines alone show the critical safety net that Sacred Heart Hospital in Eau Claire and St. Joseph's Hospital in Chippewa Falls were for the Chippewa Valley. Every passing day there are more stories about another program that is impacted by the closure of these two hospitals. We have yet to see the full impact of what these closures mean for access to care.

In the meantime, Wisconsin's non-profit, full acute-care hospitals in the region are stepping up to expand access to critical care. Non-profit hospitals and health systems in and around the Chippewa Valley have publicly discussed their work to transition care for impacted patients as efficiently and effectively as possible, while expanding services like labor and delivery by deploying their own existing resources to date. Non-profit acute-care hospitals/health systems and clinics throughout the region, beyond the borders of Eau Claire and Chippewa Counties, will also play important roles in providing access to care for patients in the impacted area.

WHA applauds the authors of Assembly Bill 1077 and 1078 for recognizing that additional financial support will be needed in order for providers in the area to immediately expand access to services. With high labor costs, high construction costs, more expensive financing, and below-inflation reimbursement increases from payers, many hospitals in Wisconsin have shelved future service expansion projects. This legislation recognizes that government investment is critical for any effort to quickly backfill core services, like hospital emergency departments.

One-time funding supports immediate up-front costs, but ongoing funding commitments are critical to make additional care accessible for patients. In the most recent state budget, the legislature and the Governor passed and enacted a bill that took great strides to increase Medicaid reimbursement for key service lines including acute hospital care, emergency physician services, rural hospitals, inpatient behavioral health, and primary care. Policymakers of both parties should be applauded for the strong commitment they've made to health care



programs in this state. Unfortunately, we now know that more needs to be done as Wisconsin hospitals continue to lose \$1.3 billion annually by being under-reimbursed by the state's Medicaid program, while facing market pressures from for-profit specialty hospitals that increasingly handicap hospitals and the safety net role they play and the otherwise unavailable services they support.

The Wisconsin Hospital Association looks forward to working with lawmakers before and during the next legislative session to propose, pass and enact bold budget increases that will protect access to the hospital safety-net in Wisconsin. In the meantime, we ask for your support of Assembly Bill 1077 and 1078.

FROM: Eric Bergsberg, President/CEO
 Kyla O'Brien, Senior Vice President Government Relations

DATE: February 14, 2014

RE: Support for Hospital Funding Legislation - Assembly Bill 1077 & 1078

for over a century, the Wisconsin Hospital Association has advocated on behalf of its members as they serve their local communities. Every year, we communicate the quantitative community benefits that hospitals provide while also sharing stories of stories regarding care that is made possible by a local hospital.

While most appreciate the role of their local hospital and the work they do every day, extending far beyond the walls of a hospital some take it for granted. Today in the Chippewa Valley, that is not the case. The headlines since show the critical safety net that Sacred Heart Hospital in Eau Claire and St. Joseph's Hospital in Chippewa Falls were for the Chippewa Valley. Every passing day there are more stories about another program that is impacted by the closure of these two hospitals. We have yet to see the full impact of what these closures mean for access to care.

In the meantime, Wisconsin's non-profit, all-acute-care hospitals in the region are stepping up to expand access to critical care. Non-profit hospitals and health systems in and around the Chippewa Valley have publicly discussed their work to transition care for patients as efficiently and effectively as possible, while expanding services like labor and delivery by leveraging their own existing resources to date. Non-profit acute-care hospitals/health systems and clinics throughout the region, beyond the borders of Eau Claire and Chippewa County, will also play important roles in providing access to care for patients in the impacted area.

With gratitude the authors of Assembly Bill 1077 and 1078 for recognizing that additional financial support will be needed in order to provide to the area to immediately expand access to services. With high labor costs, high construction costs, more expensive financing, and below-inflation reimbursement increases from payers many hospitals in Wisconsin have already begun serious expansion efforts. This legislation recognizes that government investment is critical for any effort to quickly build care services, the hospital emergency departments.

Our time funding supports immediate up-front costs, but ongoing funding commitments are critical to make additional care available for patients in the most recent state budget, the legislature and the Governor passed and enacted a bill that took great strides to protect Medicaid reimbursement for key service lines including acute hospital care, emergency physician services, rural hospitals, inpatient behavioral health, and primary care. Policymakers of both parties should be applauded for the strong commitment they've made to health care.



Date: February 13, 2024
To: Wisconsin Legislature
From: Brandon Riechers, Royal Credit Union
Re: Assembly Bills 1078 and 1077
Senate Bills 1014 and 1015

The imminent closure of two HSHS hospitals and all of the Prevea clinics in western Wisconsin has created a healthcare crisis for the Chippewa Valley and the surrounding region. We are deeply concerned about access to healthcare for residents in the region and the loss of jobs created by the abrupt closures of these facilities.

Royal Credit Union supports these bills, which repurpose \$15 million in unspent state funds originally intended for healthcare needs in the Chippewa Valley. These funds serve as an opportunity to help meet immediate needs while longer term solutions are formulated and implemented.

We appreciate the work of our area Legislators to take prompt action in light of the gravity of this regional crisis.

Sincerely,

A handwritten signature in black ink, appearing to read 'Brandon Riechers', written in a cursive style.

Brandon Riechers
President/CEO





Karl Hoesly
President, Wisconsin & Michigan

1414 West Hamilton Ave.
P.O. Box 8
Eau Claire, WI 54702

February 13, 2023

To: Wisconsin Legislature

Re: Assembly Bills 1078 and 1077
Senate Bills 1014 and 1015

Xcel Energy is one of the largest investor-owned electricity and natural gas companies in the U.S. with regulated operations in eight Midwestern and Western states. Our Northern States Power-Wisconsin operating company, headquartered in Eau Claire, has long been committed to working with the 500 communities we serve in northern and western Wisconsin.

The imminent closure of two HSHS hospitals and all the Prevea clinics in western Wisconsin has created a health care crisis for the Chippewa Valley and the surrounding region. This impacts Xcel Energy greatly. Our workforce – about 1,000 strong in Wisconsin – is vital to our success; and our employees count on the health care services offered throughout the Chippewa Valley. Our customers and the communities we serve also count on those services.

I am writing about Assembly Bills 1078 and 1077 and Senate Bills 1014 and 1015. On behalf of Xcel Energy, I urge you to **support these bills which repurpose \$15 million in unspent state funds originally intended for healthcare needs in the Chippewa Valley. These funds serve as an opportunity to help meet immediate needs while longer term solutions are formulated and implemented.**

Sincerely,

A handwritten signature in black ink, appearing to read 'Karl J. Hoesly', with a large, sweeping underline.

Karl J. Hoesly
President, Wisconsin & Michigan

Reply to: Matt Pagel, matthew.e.pagel@xcelenergy.com, 608-280-7333



620 W. Clairemont Ave.
Eau Claire, WI 54701-6162
715-833-6200
Fax 715-833-6470
www.cvtc.edu

February 13, 2024

To: Wisconsin legislature

From: Chippewa Valley Technical College

Re: Assembly Bills 1078 and 1077
Senate Bills 1014 and 1015

The imminent closure of two HSHS hospitals and all the Prevea clinics in western Wisconsin has created a health care crisis for the Chippewa Valley and the surrounding region.

Chippewa Valley Technical College supports these bills, which repurpose \$15 million in unspent state funds originally intended for healthcare needs in the Chippewa Valley. These funds serve as an opportunity to help meet immediate needs while longer term solutions are formulated and implemented.

We appreciate the work of our area legislators to take prompt action in light of the gravity of this regional crisis.

Sincerely,

A handwritten signature in black ink that reads 'Sunem Beaton-Garcia'.

Sunem Beaton-Garcia, Ed.D.

President/CEO, Chippewa Valley Technical College

**An affirmative action
employer and educational
institution.**

**Sunem Beaton-Garcia
President**

impact Since 1982 Advertising

Imprinted Promotional Products

February 13, 2024

To: Wisconsin legislature

From: Andrew Neborak, Impact Advertising

Re: Assembly Bills 1078 and 1077
Senate Bills 1014 and 1015

The imminent closure of two HSHS hospitals and all of the Prevea clinics in western Wisconsin has created a health care crisis for the Chippewa Valley and the surrounding region.

Impact Advertising supports these bills, which repurpose \$15 million in unspent state funds originally intended for healthcare needs in the Chippewa Valley. These funds serve as an opportunity to help meet immediate needs while longer-term solutions are formulated and implemented.

Leaders in our community are actively collaborating on long-term solutions to this challenge. Allowing these funds to be reallocated allows that group some additional time to react to this health care crisis. The strength of our region's collaboration gives me confidence that a solution will come to fruition if resources are maximized to allow for sufficient time.

We appreciate the work of our area legislators to take prompt action in light of the gravity of this regional crisis.

Sincerely,



Andrew Neborak
President/Owner
Impact Advertising



February 12, 2024

To: Wisconsin legislature

From: Eau Claire Area Chamber of Commerce

Re: Assembly Bills 1078 and 1077
Senate Bills 1014 and 1015

The imminent closure of two HSHS hospitals and all of the Prevea clinics in western Wisconsin has created a health care crisis for the Chippewa Valley and the surrounding region.

The Eau Claire Area Chamber of Commerce supports these bills, which repurpose \$15 million in unspent state funds originally intended for healthcare needs in the Chippewa Valley. These funds serve as an opportunity to help meet immediate needs while longer term solutions are formulated and implemented.

The Chamber has served our community since 1915 as the advocate of business. Our 1,100 investor organizations employ more than 45,000 individuals throughout the Eau Claire area. We work to represent the business community as a champion of a strong local and regional economy.

We appreciate the work of our area legislators to take prompt action in light of the gravity of this regional crisis.

Sincerely,

A handwritten signature in black ink, appearing to read "Scott Rogers".

Scott Rogers
Vice President Governmental Affairs
Eau Claire Area Chamber of Commerce

Reply to: rogers@eauclaيرهamber.org 715-858-0616



Chris Lokken, Vice President
Christensen Group Insurance
2851 W Princeton Ave.
Eau Claire WI 54703

February 13, 2024

To: Wisconsin legislature

From: Christensen Group Insurance

Re: Assembly Bills 1078 and 1077
Senate Bills 1014 and 1015

The imminent closure of two HSHS hospitals and all of the Prevea clinics in western Wisconsin has created a health care crisis for the Chippewa Valley and the surrounding region.

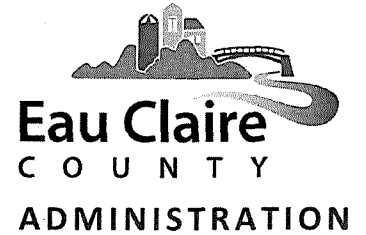
Christensen Group Insurance supports these bills, which repurpose \$15 million in unspent state funds originally intended for healthcare needs in the Chippewa Valley. These funds serve as an opportunity to help meet immediate needs while longer term solutions are formulated and implemented. The approval of these bills will provide resources that are in critical need right now, and can serve as a "bridge to the future" for health care in the Chippewa Valley.

We appreciate the work of our area legislators to take prompt action in light of the gravity of this regional crisis.

Sincerely,

Christopher G Lokken

Chris Lokken
Vice President, Christensen Group Insurance



February 13, 2024

To: Wisconsin legislature

From: Kathryn Schauf, Eau Claire County Administrator
Nancy Coffey, Eau Claire County Board Chair


Re: Assembly Bills 1078 and 1077
Senate Bills 1014 and 1015


The imminent closure of two HSHS hospitals and all of the Prevea clinics in western Wisconsin has created a health care crisis for the Chippewa Valley and the surrounding region.

We support these bills, which repurpose \$15 million in unspent state funds originally intended for healthcare needs in the Chippewa Valley. These funds serve as an opportunity to help meet immediate needs while longer-term solutions are formulated and implemented.

We appreciate the work of our area legislators to take prompt action in light of the gravity of this regional crisis.

Sincerely,


Nancy Coffey
County Board Chair


Kathryn Schauf
County Administrator



Ingenuity, Integrity,
and Intelligence.

February 12, 2024

To: Wisconsin Legislature

Re: Assembly Bills 1078 and 1077
Senate Bills 1014 and 1015

The upcoming closure of two HSHS hospitals and all of the Prevea clinics in western Wisconsin will create a hardship for almost 100 of our employees living in the Chippewa Valley.

We thank the legislature for granting these funds to our community in the last grant cycle. Unfortunately, these funds have been idle. On the other hand, we are fortunate they are still available to help our communities overcome these closures. As HSHS begins to shutter the hospital and surrounding clinics, we have a greater immediate need and ask the legislature to designate these funds to provide an interim fix for the area's healthcare needs.

Ayres supports these bills, which repurpose \$15 million in unspent state funds originally intended for healthcare needs in the Chippewa Valley.

We appreciate the proactive approach our area legislators have put towards finding opportunities to minimize the negative impacts of these closures and help us to transition our healthcare services in the Chippewa Valley.

Sincerely,

Ayres Associates Inc

Bruce Ommen, PE
President /CEO

