

Local Hospitals Discuss Medicaid Cuts with Legislators

Rural hospitals from across the state continue meeting with their legislators to share their concerns about the impact Medicaid cuts will have on area health care. Wisconsin's Critical Access Hospitals (CAHs) like Spooner Health System (SHS) are slated to begin taking a 10 percent cut in their Medicaid payments on January 1, 2010. The cuts will take a heavy toll on CAHs, most of them providing various non-profitable community health services such as nursing home and home care services.

Representatives from Spooner Health System, Cumberland Memorial Hospital and Luther Midelfort Northland met with Senator Bob Jauch and Representative Mary Hubler last week. They discussed the impact the cuts will have on their specific organizations and the reality of possibly not being able to provide certain services for their respective communities in the future. There was also some discussion about potential solutions.

Nearly half of Wisconsin's CAHs either lost money or barely broke even in 2008, a situation that could be exacerbated by the scheduled cuts. "A 10 percent cut in payments is definitely going to put hospitals like ours in a very challenging position, especially since what we receive now doesn't even cover the costs of providing the health care services," says Mike Schafer, CEO of SHS. "It is difficult to provide the same services for less and less money."



Back row (l-r): Mike Schafer, CEO of Spooner Health System, Deb Kunferman, CEO of Cumberland Memorial Hospital, Angie Martens, Controller for Cumberland Memorial Hospital, State Senator Bob Jauch, Becky Busch, CFO of Spooner Health System, Kristy Hanson, Assistant Administrator Finance of Luther Midelfort Northland.

Front row (l-r): State Representative Mary Hubler and Rita Sullivan, VP of Luther Midelfort Northland.