

To our members:

Another program year has ended, and we are halfway through the MHA's 100th year as your champion. This year has brought us new challenges, including a focus on healthcare worker safety, maternal health and improving resources for our rural members. It has also seen a resurgence of old challenges, like the fight to dismantle the auto no-fault system that protects Michigan drivers. We have grown our non-dues revenue business, protected all the members' priorities in the state budget, and again expanded our footprint in the safety and quality realm. We have faced this multitude of challenges with the full support of our member hospitals and health systems, our associate members and our Endorsed Business Partners – and for that, we want to thank you. With your support, MHA was identified as the second most influential advocacy organization in the state in the biennial MIRS/EPIC MRA Capitol Insider Survey. As healthcare and hospitals continue to face significant challenges – from transparency to an aging population to ever-changing reimbursement models – we must continue to present a united voice. We are proud to serve in that leadership role for our members in Michigan, and for our partners across state lines. Thank you for your engagement this year. Please take a moment to reflect on our collective successes documented in this annual report, and we look forward to serving you in the year ahead.

Sincerely,



MHA CEO Brian Peters



2018-2019 MHA Board of Trustees Chair Greg Lane

Member Priorities

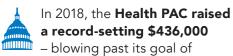
STATE BUDGET (pending Gov. Whitmer s signature) STA		
Charge: Ensure continuation of the long-term strategy to safeguard funding of Graduate Medical Education, Rural and Obstetrical payments. Action: The MHA worked with the Legislature and Whitmer Administration to fully fund these healthcare priorities.	✓	
Charge: Protect the hospital provider tax programs. Action: The MHA worked with the Whitmer Administration to continue to protect existing provider tax programs, which have resulted in \$13.3 billion in funding to support hospital patient care since inception.	✓	
Charge: Ensure continuation of appropriations to fully fund the Healthy Michigan Plan in FY 2020. Action: The MHA worked with the Legislature to fully fund the Healthy Michigan Plan in 2020.	✓	
Charge: Secure additional funds to improve Medicaid payments for critical access hospitals. Action: The MHA convened an MHA Board Task Force on CAH	,	

Mobilizing Healthcare

reimbursement, then worked through the legislative

and appropriations processes to secure \$15 million

for CAHs in the legislative and executive budget



\$385,000. This was a critical fundraising year, given the length of the 2018 election campaign season. In 2019, the goal was raised to \$400,000. As of mid-June, the Health PAC raised \$401,000, surpassing its goal and contributions continue to be received.



MI Care Champions, MHA's network of grassroots sent several hundred letters to their lawmakers on hospitals' behalf.

Charge: Protect Michigan's current auto no-fault coverage from damaging reductions in provider payments, and ensure appropriate personal injury protection benefits. Action: The MHA worked with Governor Whitmer to prevent a \$400 million cut to trauma centers and care for communities, a complete elimination of the requirement that all drivers maintain some level of PIP protection, and avoid a costly ballot initiative. The MHA also supported legislative efforts to eliminate non-driving rating factors and permanently lower premiums for drivers while protecting PIP coverage and the trauma and rehab systems.	TBD
Charge: Develop an alternative legislative package to provide appropriate reform of the auto no-fault system, while protecting the priorities stated above. Action: The MHA used commissioned data to inform strategy on positive auto no-fault reforms, and to assess the impact of	✓

AUTO NO FAULT

other proposals. The MHA will use this data to help protect hospitals and patients during the phase-in of

TBD	Charge: Work with hospitals and the Michigan Association of Health Plans to pursue pilot projects to advance elements of the Quadruple Aim. Action: The MHA and MAHP identified two projects related to reducing avoidable complications. A subset of MHA members were approached about participating; recruitment is ongoing. The MHA and MAHP continue to collaborate to remove patients from instances of surprise medical bills, and to find pilot projects that both memberships agree to pursue as a collaboration.
✓	Charge: Reconvene the BCBSM Peer Group V workgroup to help modernize the model Participating Hospital Agreement (PHA). Action: At the MHA Board's direction, this workgroup was temporarily put on hold. It will reconvene in the new program year to gather PHA input specific to small/rural hospitals.
	Charge: Restart the PHA modernization incorporating the input previously provided by hospitals. Action: The PHA modernization process was delayed pending BCBSM transparency requests. BCBSM implemented benchmarking measures, after which the MHA agreed to continue modernization efforts into the coming year.
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AYER STRATEGY	STATUS
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TRANSPARENCY	STATUS
Charge: Publish hospital standard charges on www.verifymicare.org to meet new CMS regulations. Action: The MHA published hospital charges on its website for hospitals who needed such support, and assisted all other hospitals in publishing charges to their own websites.	√
Charge: Develop policies and principles to address the growing concerns with surprise billing/out-of-network charges. Action: The MHA is supporting the American Hospital Association's surprise billing principles, and developed an infographic to educate stakeholders.	√
Charge: Identify appropriate quality measures that will fairly describe the performance of Critical Access Hospitals. Action: The MHA worked with CAHs and	

selected specific measures that would better depict

their care environments, and will publish them on

BEHAVIORAL HEALTH	STATUS
Charge: Pursue funding support for patients boarded at acute-care hospitals while awaiting inpatient psychiatric hospital admission. Action: The MHA successfully advocated for such language in the state budget.	✓
Charge: Study existing treatment capacity for people with intellectual disabilities who need psychiatric placement. Action: The MHA contracted with AFIA, a behavioral health data firm, to quantify patients who board in hospital EDs and have a developmental disability. AFIA worked with the MHA Behavioral Health Integration (BHI) Task Force and the MHA Children's Hospital Council to conduct the survey, which will be in the field in summer 2019.	√
Charge: The BHI Task Force should identify activities that could assist in achieving appropriate integration of behavioral health and establish related MHA goals for upcoming years. Action: The BHI Task Force established a set of draft principles to use for evaluation of proposals for integration of behavioral health services into general health services. The Task Force completed the draft principles for the MHA	✓

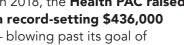
QUALITY STATUS Charge: Ensure the continued engagement of members in voluntary quality work and the sustainability of the MHA Keystone Center. **Action:** The MHA Keystone Center secured an extension of its Hospital Innovation Improvement Network funding. It also launched a new partnership called the Superior Health Quality Alliance, a multistate quality improvement entity that will bid for millions of federal dollars of quality and safety contracts. **Charge:** In partnership with the Great Lakes Partners for Patients and the Michigan College of Emergency Physicians, pursue collaborations to decrease opioid use and increase use of alternatives to opioids (ALTOs). **Action:** The MHA Keystone Center worked with 24 organizations throughout MI, IL, and WI (17 from MI) to reduce opioid use within hospital EDs by 10% in one year while increasing the ALTO use. Charge: Launch a Reliability Culture Roadmap. **Action:** The MHA Keystone Center developed and distributed this tool in April 2019, and will be utilizing

this tool to support hospitals in creating safe and

reliable systems of care.

Champions

recommendations.



launched the #MIRuralCar campaign, a storytelling effort featuring community members from small communities across the state discussing why their local hospital is so critical to their well-being. Look for the campaign



advocates developed via the 2018 MI Care Matters image campaign

State Legislation Impacting Healthcare

The MHA tracked more than 300 bills total and formally weighed in on **71 bills** this program year, and was recognized for its advocacy efforts.



The MHA in June 2019

#MIRuralCareMatters

to continue in the coming program year.

The MHA continued to grow its social

and digital networks this year, through

strategic healthcare-focused campaigns

that engaged and educated the public.

420,000+

new social media followers

4.2k 4,200+

150,000+

engagements

The MHA opposed 38 bills and only five of those were signed into law - but even in

those, the MHA successfully advocated for amendments to protect healthcare patients and providers.



The MHA supported 32 bills, and 14 of those became Public



lobbyists in Michigan

Chris Mitchell, EVP, advocacy & public affairs was recognized as one of the most effective



In addition to major priorities, the MHA worked this legislative session and program year on a range of bills and efforts relevant to members, including but not limited to:





Immunizations for children



Air ambulance services and reimbursement



Preventing violence against healthcare workers



R Opioid tracking, Opioid tracking,



Psychiatric care access and administration

The MHA's positions on legislative issues are available at www.mha.org under the Issues and Advocacy tab, within the legislative bill tracker.

Advancing Health and Access to Care

verifymicare.org soon.

Every year, critical issues develop that aren't on the MHA Action Plan.



A new legislative session began in 2019, bringing many new lawmakers to

Lansing. The MHA welcomed them with a reception and an educational retreat with our partners in the business and education community at the Building Bridges workshop.



The MHA continued helping hospitals implement the Michigan opioid laws through MHA-hosted educational sessions and individual member presentations, webinars and conferences. The MHA also worked with the state to create a mechanism to verify whether prescribers have registered for the

state's Prescription Drug Monitoring Program. This program will help hospitals ensure their employees' compliance. The MHA also provided input on the new Nonopioid Directive Form, and commented on the **Emergency Rules for Reporting Opioid** Overdoses.



The MHA has been actively engaged with the American Hospital Association's (AHA) Advocacy Alliance for the 340B Drug Program urging protection of the program. In 2018, the MHA joined in an amicus curiae with the AHA and others to prevent the destruction of 340B In May 2019, the U.S. District Court ruled that the federal government "must promptly resolve the harm caused by its unlawful cuts to Medicare reimbursement for certain hospitals enrolled in the 340B Drug Discount Program in 2018 and 2019." The MHA will continue to make 340B a priority in the program year to come.

Stronger Together

One of the key functions of the MHA is its convener role, because the MHA believes hospitals are stronger together. For that reason, the MHA brings hospitals together all year to network, learn and unite.

Board's review at its August 2019 meeting.



The MHA Excellence in Governance Fellowship class of 2018-2019 had 11 hospital trustees participate in the program.

Advocacy days – 20+ organizations attended the MHA's annual Trustee and



Graduate Medical Advocacy days.



320 attendees

115 attendees 2019 Breakthroug

375 attendees 2018 MHA Symposium

87 attendees (new record) 2018 Communications Retreat

70+ organizations Major webinars

150+ participants
Member forums

Your Dues at Work

These major achievements would not be possible without the MHA team striving to make every dues dollar go the distance. This year, it meant:





MHA testified on 5 issues before the Michigan Legislature. MHA testified on 5 issues



More than finance polymembers. More than 120 advocacy and finance policy updates sent to



The MHA Spencer C. Johnson Headquarters Building expansion was completed - on time and on budget with a successful open house in August.

Member Priorities

HOSPITAL/PHYSICIAN INTEGRATION	STATUS
Charge: Convene a summit of stakeholders to work on priorities identified by the Physicians in Healthcare Leadership Council. Action (PHLC). Action: The PHLC has considered how to best move forward with addressing priority issues like administrative burdens. The group identified a subcommittee to reconvene and map out how to most effectively engage key stakeholders.	✓

MHA SERVICE CORPORATION	STATUS
Charge: Launch the MHASC Board of Directors to guide the strategic direction of the MHASC. Action: The MHASC Board first met in the fall of 2018 and continues to meet to develop strategic aims for the MHASC.	✓
Charge: Pursue at least one new initiative to improve the functioning and/or profitability of the MHASC. Action: The MHA fully launched the new Endorsed Business Partner program in summer of 2018 and has a total of six partners to date.	✓

WORKPLACE SAFETY & WELLBEING	STATUS
Charge: Design and launch a workplan to address workplace safety and wellbeing. Action: The MHA developed programming via the MHA Keystone Center meetings and materials, MHASC and MHA Health Foundation-led regional de-escalation trainings, speakers at various MHA member meetings and more.	✓
Charge: Plan for collection of OSHA work safety data. Action: The MHA has outlined the process for collecting this data and will begin collection in the coming program year.	✓
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Non-dues Revenue

The MHA Service Corporation (MHASC) provides business services to hospitals and other entities in Michigan and beyond. These services provide critical financial support to the MHA in the form of non-dues revenue.



The MHASC is in its ENDORSED second year of the MHA

Partner program. MHA staff carefully evaluates each potential partner, who are approved and endorsed by a selection committee. In 2018-2019 the first full year of operation - the

MHASC endorsed several new organizations to provide business solutions that address members' HR needs, financial issues or workplace violence. Currently, EBPs include:

- > Care Logistics
- > CHG Healthcare
- > Comp Data
- > FocusOne Solutions
- > HSS
- > Merritt Hawkins

Learn more about these partnerships and the benefits these companies provide members at www.mha.org/ **Business-Services.**

The MHA Unemployment Compensation Program (UCP) serves employers across Michigan and beyond. In the last year, the MHA UCP finalized a major new health system contract and had the following successes:

12,040

\$42 million+ amount our clients saved

83.8% our win ratio on the contested claims



Impacting Community Health

The MHA believes the well-being of its staff is benefited by community service. To that end, MHA staff have given of their own time and money - and the MHA has developed a robust community giving program – to improve the health of Michiganders. In 2018-2019:



MHA staff gave \$625 via the association's Go Casual for a Cause Friday fundraisers.



MHA staff gave more than 352 hours of time to local organizations during the annual MHA Staff Day of Service.



In 2018-19, the MHA also committed more than \$140,000 in sponsorships and in-kind

donations to charitable and nonprofit organizations around Michigan, including many member hospital foundations, to impact community health.

The MHA and its members contributed nearly 40,000 pounds of food and more than \$60,000 to the Michigan Harvest Gathering to help feed the 1.6 million people who are suffering from hunger in Michigan.

About the MHA

The MHA is the statewide leader representing all community hospitals in Michigan. Established in 1919, the MHA represents the interests of its member hospitals and health systems in both the legislative and regulatory arenas on key issues and supports their efforts to provide quality, cost-effective and accessible care. The MHA focuses on advocacy, policy, communications, education, quality and safety, best information and business services.

The MHA is headquartered in Okemos, Michigan, and also operates a Capitol Advocacy Center in downtown Lansing.

OUR MISSION

We advance the health of individuals and communities.

OUR VISION

Through our leadership and support of hospitals, health systems and the full care continuum, we are committed to achieving better care for individuals, better health for populations and lower per-capita costs.

Membership Snapshot



LUED ASSOCIATE MEMBERS

representing finance, law, medical technology, health information technology and data, insurance, vendor management, business development, staffing and more.

> IN TOTAL, THE MHA'S MEMBERS PAY \$7 million in dues annually.

A Forecast for the Year Ahead

The 2019-2020 program year is already shaping up to a busy one. The initial bids for federal quality improvement funding under the Superior Health Quality Alliance are underway. Auto no-fault reform implementation will begin, and there are critical elements impacting hospitals and patients that we must work to improve. New legislative priorities will come our way. We must push for more resources and coordination in the behavioral health space; we will continue efforts to protect the healthcare workforce from violence and harm; we will partner with new stakeholders to focus Michigan's efforts on population health; and we will do more. To do all of that, we need your engagement. We strive to provide the best value for every dollar of dues you, the member, pay. We hope you feel that value every day as we work together with all of you to advance the health of individuals and communities.





REFERENCES

Find and engage with the MHA and MHA Keystone Center on social media:



@MIHospitalAssoc and @MHAKeystoneCtr



www.facebook.com/MichiganHospitals



@mihospitalassoc



in Michigan Health & Hospital Association