Six months on from HSHS: The effect on patients and employees

EAU CLAIRE — The closures of the Hospital Sisters Health System and Prevea medical facilities in western Wisconsin caught both patients and employees off-guard.

Beyond the increased travel times and disruption of care patients have experienced while seeking new providers, many former HSHS and Prevea patients have reported an additional financial burden because the closures have eliminated facilities that were previously considered “in-network,” leading to higher out-of-pocket costs for their healthcare needs.

“With my insurance, Sacred Heart, St. Joe’s and Prevea were my preferred providers,” explained Monica Lombard, a retired nurse. “But since they no longer exist, I had to go to Mayo in Eau Claire, so I went to the emergency room there.”

She spent 15 hours in the emergency room before being informed she needed endoscopic retrograde cholangiopancreatography and was transferred by ambulance to the Mayo Clinic in Rochester.

“No one in Eau Claire could perform the procedure because the physician who could do it was at Sacred Heart, and Sacred Heart is now closed,” Lombard added.

As a result, Lombard incurred costs for the emergency room visit, the ambulance transfer, the hospital and physicians in Rochester, as well as all necessary surgeries. If Sacred Heart had still been open, all her procedures could have been considered in-network.

Claire Lindstrom, who is employed with the Chippewa Valley Technical College, said her insurance incentivised her to use local Prevea doctors and clinics, which she used for mental health services for her daughter. Her daughter built up a strong rapport with her therapist, but then in January Lindstrom heard of the upcoming facility closures.

“Our clinic and provider stayed working there through mid-April 2024. At that time, our therapist had a signed contract agreement with The Remedy Mental Health, which was new to the area,” said Lindstrom, who continued to take her daughter to that therapist in the new location. Unfortunately, this was now considered out-of-network, despite prior authorization before the therapist’s move.

“Fast forward a few months, my daughter’s claims for mental health therapy were denied. I have spent hours on the phone with our insurance, The Remedy and am now going through the Grievance and Appeals process to try and get these therapy sessions covered as they were before,” she said.

EMPLOYEES AND THE CLOSURE

Patients were not the only ones impacted by the sudden closures. It is currently estimated that more than 1,400 people between the HSHS hospitals and the Prevea clinic locations lost their jobs.

The Leader-Telegram reached out to multiple former employees to tell their stories, only to be told of non-disclosure agreements that were in place, preventing those employees from speaking openly. Doing so, one former employee stated, could jeopardize her severance pay if she were to discuss HSHS with the media. However, one employee, “Agatha,” agreed to discuss the closures under the condition of anonymity.

Agatha stated that, during the meeting announcing the closures, she and other coworkers had assumed that the announcement would involve the closure of St. Joseph Hospital. Many core services had been removed from the Chippewa Falls hospital, taking things to the point the hospital lost its Level III Trauma designation.

“Everyone was shocked,” said Agatha of the closure announcement. “When the words came out that the system was closing hospitals — plural — I wasn’t sure that I even heard correctly.”

With that announcement — and the announcement of how soon the closures would take place — Agatha said, “I’m not sure that anyone was fully processing anything when they walked out of that room, other than, ‘Now what?’”

She mentioned that she considered the “trickle-down effect” of the severe closures, worrying not only about those who could no longer access medical care, but also about individuals receiving various other services, such as therapy through Prevea or addiction treatment at the L. E. Phillips Libertas Treatment Center.

And then there was the reality of employment. While some she had worked with have found work at Mayo or Marshfield, Agatha stated that she has yet to find anything, and others just gave up in the area altogether.

“I know some people — some of our providers or the Prevea providers — who have completely left the area, have moved out of state, and that meant uprooting their entire families to move,” she said. “I know a lot of people are still kind of spinning their wheels and trying to figure out what’s next.”

Agatha said that she agreed with an assessment that HSHS CEO Damond Boatwright made that state that Medicare and Medicaid reimbursements can certainly contribute to the financial instability.

“But for him to immediately put the onus on that as the reason for HSHS closures is a bit of a slap in the face. We can’t keep blaming reimbursement rates,” she said, citing the hospital’s financial decisions “that raised our eyebrows.”

“I think there was a series of poor financial decisions that have been made for the last several years that also greatly contributed to the closures.”

She praised organizations like Oakleaf for swiftly devising a plan to assist those in the area who suddenly found themselves without essential care. However, she criticized HSHS for

their lack of transparency regarding the closures, noting that employees learned about the closures at the same time as the general public.

“But the way it was presented, and the way it was handled — not just on the day of the announcement, but even leading up to that announcement — was atrocious, and I feel that there were so many other options of how to not blindside 1400 colleagues, plus providers, plus business leaders, plus all of the partners of our hospitals, plus the organizations that work to support our hospitals.

“What bothers me, is the lack of empathy. It just really showed to me there was no regard for the people who live here, who work here and who’ve supported the hospitals.”