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The Wisconsin Public Health and Health Policy Institute’s E-News is available monthly during the academic year. Check our website for additional information and updates: http://www.pophealth.wisc.edu/wphi


Request for Submissions:
Please help us to help you stay up to date on what kinds of health policy research are going on in Wisconsin. To include your events, research or other important public health or health policy research activities in a future issue of the Institute's E-news, or if you have any comments about this publication, send an e-mail to Judy Knutson at: jaknutso@facstaff.wisc.edu.

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**State News**

**State Reduces Medicaid Deficit by $53 million; $224 million deficit remains**
The Legislature met in an Extraordinary Session on several bills, including one developed by the Doyle Administration to help reduce the large deficit in the state's Medicaid budget. The bill, SB 567, was approved unanimously in both the Senate and Assembly, and it was signed into law Tuesday (5/25) by the Governor. This bill should generate an additional $53 million in Medicaid dollars to help reduce the state's MA deficit (assuming final federal approval of the plan). It does that by leveraging some Community Aids funds that are moved into Medicaid and are used to increase the rate for MA community services. Those higher rates generate additional federal matching funds, and most of that increase will be used to cut the MA deficit. But even with those additional funds, WI will have an MA deficit of about $224 million.


Press release from the Governor's Office: [http://www.thewhiteletreport.com/releases/May04/May25,0525doylemedicaid1.pdf](http://www.thewhiteletreport.com/releases/May04/May25,0525doylemedicaid1.pdf)

For more about the MA deficit, see the WI Council on Children and Families' Budget Project website “Wisconsin's Hemorrhaging Medicaid Budget.” Go to the top of the list of publications at: [http://www.wccf.org/projects/budget.html](http://www.wccf.org/projects/budget.html)

**Extra Medicare Payments to Private Plans total $2.75 billion; Wisconsin has 3rd highest increase in payments to insurers in the nation**

A report released by the Commonwealth Fund (May 20, 2004) found that Medicare private plans will be paid 8.4% more per enrollee on average that fee-for-service plans. Wisconsin plans will enjoy an increase of nearly triple that amount, with an additional payment of $1,556 per enrollee, more than paid for similar fee for service costs. There are 24,458 enrollees in Medicare private health plans. This is a relatively low rate of enrollment, 3% of all eligibles, compared with a national enrollment of 12% of all eligibles. These very high additional costs contradicts the stated purpose of the Medicare reforms which is to lower costs through increased enrollment in private plans. For a copy of the full report from the Commonwealth Fund: [http://www.cmwf.org/programs/medfutur/biles_extrapayments_ib_750.pdf](http://www.cmwf.org/programs/medfutur/biles_extrapayments_ib_750.pdf)

**Legislature Passes and Governor Vetoes Health Savings Account Legislation**
The Legislature's Extraordinary Session last week included a bill, SB 568, that creates a state tax credit for Health Savings Accounts (HSAs). The Senate approved it by just a single vote, 17-16 (with Senator Ellis joining the 15 Democrats in voting against it). It was approved in the Assembly on a vote of 57-36. On Friday, May 28th, Governor Doyle vetoed the bill for three reasons: 1) it was linked to very high deductibles and other forms of co-payment that are only available to higher income insureds, 2) it would reduce the level of coverage from employers and 3) it would provide $42 million in tax cuts over the next eight years without a demonstrable benefit to the state as a whole. Current state law provides a tax break for Medical Savings Accounts (MSAs), but not for HSAs which are a new type of high deductible health insurance coverage promoted by Congress, effective at the beginning of this year. Under the new federal law, tax incentives are provided for HSAs, which must have an annual deductible of at least $1,000 for individuals and $2,000 for family
State jobs with insurance sharply declining
According to analysis released by the Center for Wisconsin Strategy half of the jobs in our state's growing industries come with health insurance coverage. In contrast, in shrinking industries three quarters of the jobs offer health insurance coverage. Wisconsin's health insurance gap between growing and declining industries is 24 percent- the highest and worst in the nation. The change, nationally was 55% in growing industries and 68% in contracting industries or 13%. Full report: http://cows.org/pdf/jobs/jobwatch/rp-job-watch-04-05.pdf

Hospital Association Releases Preliminary Hospital Use Data
Average hospital charges per day increased 18% last year according to data released from the newly privatized hospital data collection system. Average charges per day were $12,296 in 2002 rose to $14,532 in 2003. In the same period, average hospital stay remained virtually unchanged from 4.6 days to 4.5 days. Overall, admissions increased by 2% to 663,000. Orthopedic hospitalizations increased by 8% last year, the largest increase of any major category. The Association noted that more information will be available "in the coming months." For a copy of the WHA press release and available data: http://www.thewheelerreport.com/releases/May04/May19/0519whahospital.PDF

State Suicides Far Outnumber Homicides in '02
Suicides accounted for more than three-quarters of the violent deaths in Wisconsin according to report released on May 18th by the Wisconsin Firearm Injury Center of the Medical College of Wisconsin. In 2002, 832 people died from violent injuries such as homicide, suicide and firearms accidents. The Wisconsin suicide rate of 11.5 deaths per 100,000 people exceeds the national rate of 10.6 deaths per 100,000. The study the very large regional disparities in the homicide and suicide rates. In the southern region of the state, suicides outnumbered homicides by 25 to 1 while in the northern region, the difference was 8 to 1. Racial disparities are even greater. Black men are 40 times more likely to be killed in a firearm homicide than white men. For the MCW press release: http://www.mcw.edu/display/router.asp?docid=4924

Violent Crime Declines in Milwaukee
In a related story, violent crime in Milwaukee fell to a 14 year low, according to a report by the federal Department of Justice. Violent crime, defined as murder, rape, robbery and aggravated assault, fell by 8.6% from 2002 to 2003. Murder fell by 4.6% in Milwaukee with 106 homicides. The murder rate is on track for a continued decline with 32 killings at this time compared to 38 at this time last year. This decline is consistent with many other U.S. cities of similar size. Overall in Wisconsin, violent crime declined by 2.6%, while the murder rate increased. http://www.jsonline.com/news/metro/may04/232772.asp

Physicians resists Milwaukee employer health care 'price ceiling' effort
The Milwaukee Business Journal reports that an initiative by a Milwaukee-area employer group to limit health care costs is undergoing major changes to address resistance from physicians to the plan. The Business Health Care Group of Southeast Wisconsin, which includes many of the metro area’s largest employers, set a price ceiling, the so-called "maximum allowable charge," the employers would pay to doctors. However, one of the three companies, Milwaukee-based Rockwell Automation Inc., will now cap employee out-of-pocket costs arising from the "maximum allowable charge" and pick up the balance.

The original plan called for employees to cover the difference between insurance payments and the actual cost if a doctor charges over the plan maximum, set at 150 percent of the Medicare reimbursement rate. The maximum charge was designed to help keep down employer health insurance costs. However, physicians have been slow to agree to offer the pricing, and opponents of the concept say Rockwell's decision to cap employee liability for procedures costing more than the maximum shows that the initiative is not working. But, according to Rockwell, the move is only for the remainder of 2004,and the cap will be lifted as the maximum allowable charge program increases in popularity.

Wisconsin Minority Health Report Release Scheduled for July 5
The Wisconsin Department of Health and Family Services released a letter, dated May 14, 2004, that updates the progress in the long-awaited Minority Health Report. Included within is the following, from Denise Carty, the Minority Health Officer for the Department:
"I am pleased to report that our Department has completed the review of the report, and we have placed the document on a “fast track” toward its publication and release to the general public. A few more weeks are required to make final edits and have the report printed. Therefore, I anticipate that the report will be available on or about July 5, 2004."
For more information, contact Denise Carty at cartydc@dhfs.state.wi.us

Wisconsin Medical Society Issues Guidelines for Treating Pain
The WMS issued new guidelines to help Wisconsin physicians diagnose and treat chronic pain. The task force, led by Milwaukee physician, Sridhar Vasudevan, was formed as a result of reports from insurers and patients that physicians were not properly treating pain and from physicians that insurers were not sufficiently paying for pain care. The main theme the task force embraced is that there are multiple ways to treat chronic pain, which is defined as continuous or reoccurring pain that compromises one’s level of functioning and quality of life. Also, in the past few months, there have been a number of news accounts of physicians treating pain inappropriately. For more information on the new guidelines visit: http://www.wisconsinmedicalsociety.org/uploads/wmj/pain_manageguides.pdf

UW Researcher Uncovers Reasons for Smoking
A researcher at the University of Wisconsin’s Center for Tobacco Research and Intervention, has found that reasons for smoking vary widely among tobacco users. Megan Piper, a researcher and developer of the Wisconsin Inventory of Smoking Dependence Motives (WISDM-68) found that motives for smoking include emotional attachment to cigarettes, smoking to relieve stress, mental stimulation and automatic smoking. People who are relatively new to smoking and those who are long-term smokers have different motives and response to smoking. The inventory’s multiple approach is strikingly different than the previous criteria of viewing smokers entirely in the context of the number of cigarettes smoked. Components of the inventory predicted relapse to smoking during a quit attempt. The motives most connected to smoking relapse were automatic smoking, smoking to enhance mental activity, smoking to alleviate distress and being in a smoking environment. For more information: http://www.news.wisc.edu/releases/9844.html

Consumer Health Literacy: Preparing for Changing Roles in Health and Health Care
June 16, 2004, Madison Concourse Hotel
The Wisconsin Public Health and Health Policy Institute, Health Policy Forums project, is sponsoring an forum in Health Literacy, which will focus on the findings and state-level implications of the newly released Institute of Medicine report on Health Literacy. For more information, contact David Austin at daaustin@wisc.edu or check the Institute web site at www.pophealth.wisc.edu/wphi. There, you can find a link to the IOM report and read about the Institute health policy forums. Issue briefs from the Forums are posted on the site.

Labor-Management Conference on Health Care
August 12, 2004, Edgewater Hotel, Madison

大会将探讨开发劳动-管理策略，以减少医疗保健成本并提高质量。由劳动-管理健康保健联合委员会赞助的上中西部。欲了解有关注册或大会赞助的更多信息，请联系Sean Kenney，kkenney@jrec.net。

药物价格：老年人所服用的常用药物价格在四年中增加四倍
根据Families USA的发现，从2003年1月到2004年1月，老年人药物的平均价格增加了6.5%，而通货膨胀率仅为1.5%。从30种药物中，21种药物的价格在该时期内上涨了三倍以上。报告评论称，如果价格以如此大的幅度上涨，明年将消除行政机构提议的药卡带来的任何好处，这些药卡提供较小的折扣。完整的报告：http://www.familiesusa.org/site/DocServer/Sticker_Shock.pdf?docID=3541

GAO：医疗保险视频违反联邦法律
美国政府会计总署(GAO)本周发布的报告指出，由布什政府分发的宣传新医保法的视频新闻稿违反了两条联邦法律。这些视频由卫生与公众服务部(HHS)准备，提供给当地电视台，并且使用了记者剧本，由演员扮演。http://bcbshealthissues.com/proactive/newsroom/release.vtml?id=113622

企业高管回顾医疗保健政策，背景是总统选举

小型企业支付更多，得到的保险更少

学校自动售货机出售"垃圾食品"
一项全国范围的研究发现，自动售货机和学校商店出售的饮料中75%和零食中85%的营养品质差。这项研究由中心科学在公众利益(CSPI)组织。CSPI认为，除了学校午餐计划外，销售的所有食品都应该对儿童的饮食和健康做出积极贡献。http://pophealth.wisc.edu/uwphi/news/enews/June04-enews.htm

Surgeon General Releases Report on Smoking and Health
四十年前，美国卫生局局长Caroma局长的报告报告指出，吸烟严重损害了身体的每一个主要器官，并且已被直接联系到包括白血病、白内障、肺炎和肾、宫颈、胰腺和胃等的新系列疾病。http://pophealth.wisc.edu/uwphi/news/enews/June04-enews.htm
The report, which cites 1,600 scientific studies into the effects of tobacco, described findings that associate cigarette smoking with colorectal, liver and prostate cancer, as well as erectile dysfunction. But it said more study is needed to determine if there is the direct cause-and-effect relationship found with other cancers and leukemia. Carmona said that research has shown that low-tar and low-nicotine cigarettes do little or nothing to minimize the harm of tobacco. Despite the strong evidence on the relationship between smoking and disease the Surgeon General declined to endorse any known effective policy to curb smoking such as increasing the price of cigarettes, efforts at the state and local level to ban smoking indoors or stake a position on the current Congressional effort to give the Food and Drug Administration oversight of the tobacco industry. For the full report: http://www.cdc.gov/tobacco/sgr/sgr_2004/index.htm

Study: Rx Co-Pays Cut Utilization - And Can Harm Health
The Commonwealth Fund notes that proponents of insurance copayments for health care products and services say they curb unnecessary expenditures of health care dollars. A new multi-year study finds this to be true, but notes that copayments can take a toll on health too. In a study by researchers at Rand Corp., Merck, and the California Healthcare Foundation, doubling copayments in a typical two-tier drug benefit reduced the use of anti-inflammatory drugs by 45%, cholesterol-lowering medications and drugs to treat ulcers and asthma by 35%, and drugs to treat high blood pressure, depression, and diabetes by 25%. http://www.cmwf.org/programs/healthbeat22.asp#study

Study Documents Strategy To Reduce Use of Inappropriate Use of Emergency Care
Medicaid could save billions of dollars annually if more low-income parents are trained to handle minor childhood illnesses at home rather than seeking treatment at an emergency department or physician clinic, according to a study by the University of California-Los Angeles/Johnson & Johnson Health Care Institute. In the study, researchers gave 1,600 parents at 14 Head Start agencies a medical reference guide designed for readers with limited health literacy and instructions on how to use it. The program reports that it could reduce Medicaid expenditures by as much as $2.38 billion if it were expanded. Program officials plan to expand the program to 12,000 families by the end of 2005. http://www.kaisernetwork.org/daily_reports/rep_index.cfm?DR_ID=23413