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Joint Finance Committee Sends State Budget to Full Legislature
The Joint Finance Committee completed work on the 2011-2013 biennial state budget. The committee adopted the Governor’s Medicaid proposal that the Department of Health Services use various, yet-to-be-specified, changes and reforms to find an estimated $466 million in savings over the biennium in the Medicaid program. DHS must obtain approval from the JFC for any changes to the Medicaid program that will require a federal waiver or a change to the Medicaid state plan amendment. DHS will also be required to submit quarterly reports on any implemented changes, including amendments to the Medicaid state plan; updated estimates of the projected savings from those program changes; and updated benefit expenditures.

Other items of note: The Committee rejected the Governor’s proposal to move some SeniorCare participants toward Medicare Part D; Senior Care, Wisconsin’s prescription drug program for senior citizens, will remain the same. The Committee agreed to cap enrollment for Family Care, a program designed to keep people out of nursing homes.

Governor Walker had proposed in his biennial budget the elimination of county-based applications centers for persons applying for FoodShare and Medicaid programs. The Legislature instead considered options outlined by the Legislative Fiscal Bureau and unanimously adopted alternative proposal based on recommendations from the Wisconsin Counties Association and WI County Human Services Association. Counties across the state will consolidate their staff and services into 10 county-run centers, or county consortiums.

The Legislative Fiscal Bureau has summarized the differences between the Committee’s budget recommendations and those proposed by the Governor. The budget now is with the Assembly for consideration and possible amendments before moving to the Senate. Identical versions are required to pass both houses before the budget can be forwarded on to Governor Walker for possible line item veto and signature, which is expected to happen in mid- to late-June.

Legislative Audit Bureau Issue Report on Privatization of Enrollment Services
A new audit conducted by the Legislative Audit Bureau has found the may have violated federal rules when it rapidly privatized much of its enrollment work in aid programs for the poor with little oversight from the Legislature. The report found that the state paid two private contractors, Automated Health Systems and then HP Enterprise Services, $27.6 million over roughly two years to handle enrollment in FoodShare and BadgerCare Plus health services.

Legislative Audit Bureau Issues Report on BadgerCare Plus Basic Plan
The Legislative Audit Bureau has released a report of the evaluation of the BadgerCare Plus Basic Plan administered by the Department of Health Services. The Basic Plan was established to provide temporary, unsubsidized health insurance for childless adults on a waiting list for the BadgerCare Plus Core Plan, a Medical Assistance program that imposed enrollment caps in October 2009. A total of 5,143 individuals were enrolled in the Basic Plan at some point during the six-month period reviewed. Through December 2010, expenditures exceeded revenues by $140,300, and the deficit would have been larger without $1.1 million in federal State Health Access Program grant funding. The audit identified numerous concerns about the Basic Plan’s
sustainability: monthly premiums have been insufficient to cover services and administrative costs, services have been provided to individuals who were not enrolled in the plan, and enrollees have received services that are not covered under the plan. In addition, until recently DHS did little to verify the eligibility of applicants and enrollees.

**Paying Back Injured Patients and Families Compensation Fund**
The Assembly has voted to repay $200 million that was taken from the Patient Compensation fund, used four years ago to balance the state budget. Under the “Bill to Pay the Bills,” the state would pay the funds, plus approximately $35 million in interest, by June 30, 2012. The state Supreme Court last year ordered the money repaid after finding that in 2007 state officials had illegally raided $200 million from the fund, which is intended to compensate victims of medical malpractice and their families.

**Southeast WI Health Care Costs 8% Higher than Midwest Average**
Premiums for commercial health insurance in southeastern Wisconsin were 8 percent higher than the average across the Midwest for 2009, reports the Greater Milwaukee Business Foundation on Health. This study, conducted by Milliman and Mercer, found this rate relatively unchanged from 2007, when premiums averaged 9% higher than the Midwest region. The study identifies the main reason for the gap in higher payments to hospitals and doctors in southeastern Wisconsin. At the same time, people in southeastern Wisconsin averaged 16% fewer hospital admissions, 17% fewer physician appointments and 25% fewer emergency-room visits, the study found.

**Assembly Rejects Requirements for Communities to Disinfect their Water**
The Assembly recently voted to reject regulations that would have required all Wisconsin communities to disinfect their drinking systems. Proponents of the regulations argued that the move away from regulations would lead to tainted water and more illnesses while opponents of the regulations argued that local governments should decide the issue on their own. State figures show there are 66 municipal water systems that do not disinfect water. The Department of Natural Resources advanced regulations in 2009 that would have required municipalities to disinfect water by Dec. 1, 2013.

**Assembly Health Committee Discusses Physician Apology Law**
The Assembly Health Committee held a hearing on legislation that would allow physicians to say things such as “I’m sorry,” without those words being admissible in a malpractice lawsuit. The Wisconsin Medical Society supports the legislation, asserting the need for essential trust and unguarded communication between physician and patient. The Wisconsin Association for Justice raised concerns with the bill’s language saying that there needs to be some allowance for doctors’ statements to be admissible in the case of serious malpractice.

**Marshfield Clinic Comes Out Far Ahead in Medicare Experiment**
The Marshfield Clinic has earned the highest score and bonus payment in the five-year Medicare Physician Group Practice Demonstration, a key government experiment to lower costs and coordinate care for Medicare patients, Nonetheless, the program as a whole has failed to save a substantial amount of money. A precursor to the emerging Accountable Care Organization (ACO) model, the program involved 10 leading health systems around the country. The systems
were to receive financial bonuses if they could save enough by treating older patients more efficiently while providing high-quality care. In 2010, the final year, just four of the 10 sites qualified for a bonus. Two sites saved enough to get bonuses in all five years, while three did earn bonuses at all.

**WI Receives $1 Million Long Term Care Grant to Expand Care Management**
The Wisconsin Department of Health Services received a $1 million federal grant to create a long term care pilot program to design a coordinated care system for elderly and disabled adults who wish to receive services in the community. The grant will be targeted at adults who require a nursing home level of care and are eligible for both Medicaid and Medicare and could serve up to 20,000 people. Currently, this type of coordinated care for acute, primary and long term care services is only available to those in select counties of the State. The grant seeks to expand this type of coverage to dozens of additional Wisconsin counties.

The [Survival Coalition of Wisconsin Disability Organizations](#), an advocacy organization comprised of over 40 state wide groups representing people with all disabilities and all ages, their family members, advocates, and providers of disability services, provides a [report](#) on Long Term Care in Wisconsin.

**Wisconsin Physicians Receive First EHR Incentive Payments**
The first Wisconsin physicians to attest to meaningful use of an electronic health record (EHR) have begun to receive incentive payments from the Centers for Medicare & Medicaid Services (CMS). Dr. Timothy Steinmetz of River Falls Medical Clinic and Dr. Kristin Severson of Hudson Physicians were the first to receive their payments of $18,000 each for meeting meaningful use criteria, which includes such measures as maintaining an up-to-date list of diagnoses in the EHR and transmitting prescriptions electronically.

**WMS Utilizing WHIO Data to Improve Care**
As a founding member of the Wisconsin Health Information Organization (WHIO), the Wisconsin Medical Society recently published the first in a series of [reports](#) that provide summary information from the WHIO data along with details on how the Society is working with health care professionals, employers and other partners to interpret and utilize the data.

**PQRIwizard for Submitting 2011 Quality Data Launches**
The PQRIwizard, available via the Wisconsin Medical Society website, is a fast, convenient and cost-effective online tool to help collect and report quality measure data for the Centers for Medicare & Medicaid Services (CMS) PQRS incentive payment program. Group measure submissions for the 2011 Physician Quality Reporting System (PQRS) can now be entered into the PQRIwizard, while reporting for individual measures through the PQRIwizard is expected to launch in early July.

**Emergency Readiness Top Priority for Wisconsin Hospitals**
The Wisconsin Hospital Association (WHA) aims to reassure residents that Wisconsin’s hospitals are well-prepared for and ready to respond to both natural disasters and acts of terrorism. Since the formation of the Wisconsin Hospitals Emergency Preparedness Program (WHEPP) in 2002 in response to the terrorist attacks of 9/11, a tremendous amount of disaster
and emergency preparedness activity has occurred throughout the state. A vital step in this process has been the establishment of expert panels to evaluate current hospital practices, create more efficient procedures and integrate them with other emergency response organizations.

**State Lags Neighbors in Needy Children's Dental Care**
Wisconsin made only marginal progress last year in addressing one of the most entrenched problems in its health care system: access to dental care for needy children. The state's performance lagged Minnesota, Iowa and Illinois in a [report](#) released last week by the Pew Center on the States. The state's poor performance in providing dental care to children in low-income families is a long-standing and widely acknowledged problem.

**Hospital Building in High Gear**
The *Wisconsin State Journal* reports on the hospital expansions underway that raise questions about on health costs and community well-being. UW Health is planning to build a new community hospital on the far east side, which has raised concerns by Meriter Hospital. Extensive research by the [Dartmouth Atlas Project](#), suggests that too many hospital beds can lead to unnecessary “supply-driven” utilization; Others argue that more provider competition is better.

**Proposed State Budget: Impact on Wisconsin Women & Girls**
The Wisconsin Alliance for Women’s Health has issued a report about the elimination of $3.8 million in state funding for family planning services, particularly as it may affect women and girls. The report focuses on [reductions in family planning](#) and [family planning services for males](#). The findings were reported by the medical director of the Wisconsin State Laboratory of Hygiene, Dr. Daniel Kurtycz, who anticipates an increase in cervical cancer due to the reductions in cervical cancer screening.

**Translating Medical Jargon with Sensitivity**
Eighteen students recently completed a two-semester program at Milwaukee Area Technical College that teaches not just language fluency, but also medical terminology, cultural sensitivity, dialectical differences among various Spanish-speaking countries, ethics, values and nonverbal communication skills. With the growth of the Latino community and changing demographics, health care providers are challenged by the demand to provide professional health care interpreters and culturally sensitive medical translators are needed.

**The Economic Cost of Low Health Literacy in Wisconsin**
The Janesville Gazette reports how [officials](#) are working to address the challenge of low health literacy in Rock County, responding to a 2009 study showing that the county incurs nearly $152 million in unneeded health care expense due to low health literacy. The study also reports that low health literacy costs Wisconsin overall $3.3 billion to $7.6 billion.

**Menominee Tribe Launches National Let's Move! In Indian Country**
The Menominee Indian Tribe of Wisconsin has been selected to participate in First Lady Michelle Obama's Let's Move! in Indian Country, and was the site of the campaign’s national launch. Let's Move! in Indian Country aims to reduce obesity among Indian children within a generation.
Clinics & Churches Working Together to Fight Hypertension
Two Milwaukee churches, Columbia St. Mary's and Word of Hope Ministries, have joined forces to open a second disease management clinic at Holy Cathedral Church of God in Christ. Both clinics are staffed by nurses and open one day a week and both are designed to reach people who are less likely to seek care in traditional settings.

RESEARCH AND PROGRAM TOOLS

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  - State-Based Coverage Solutions: The California Health Benefit Exchange
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- New and Updated Resources from the Kaiser Family Foundation
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- Wisconsin Toolbox:
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  - AHRQ State Snapshot
  - WCHQ Updates its Performance Measures

EVENTS AND ANNOUNCEMENTS

National Rural Institute on Alcohol and Drug Abuse
June 12-16, Menominee, WI

WHA 2011 Rural Health Conference
June 15-17th, Elkhart Lake, WI

EHR Incentive Program Information Sessions
Webinar, June 21 & 27

43rd Annual Emergency Care & Trauma Symposium
June 22-24, Wisconsin Dells, WI

National Association for Rural Mental Health 37th Annual Conference
June 22-25, Dubuque, IA
Geographic Adjustment Factors in Medicare Payment
A recent IOM report found that Medicare pays more to doctors and hospitals in expensive parts of the country. The report also found that Medicare’s methods of evaluating regional costs are disturbingly imprecise and need to be overhauled. IOM experts suggest that Medicare needs to make significant changes to the way it evaluates salaries of health care workers and real estate costs.

Study: Higher Spending on Medicare Beneficiaries Results in Better Outcomes
A new study, published in May 2011 Health Services Research, reports that higher spending on medical services for Medicare beneficiaries results in better overall health and greater survival scores. While the researchers quantify the finding as a “modest effect,” the research nevertheless contradicts previous studies, which showed little or no relationship between how much Medicare spends—which varies greatly by geographic area—and the health outcomes for elderly beneficiaries. The authors say the findings suggest that policy-makers need to understand that any across-the-board reductions in Medicare spending in a geographic area or on a national level could have harmful effects on beneficiaries’ health.

Insurers Must Justify Rate Increases Over 10 Percent
The secretary of health and human services, Kathleen Sebelius, recently issued a final rule establishing procedures for federal and state insurance experts to scrutinize premiums. Federal health officials proposed the 10 percent threshold in December and the insurance industry has criticized it as an arbitrary test that could brand a majority of rate increases as presumptively unreasonable. The administration insisted on the 10 percent standard, rejected the criticism.

CMS Announces Rule on Preventable Conditions in Medicaid
States will be expected to work harder on reducing or eliminating preventable conditions or injuries in their Medicaid programs under a final rule announced by the Centers for Medicare and Medicaid Services. For some time, Medicare provider payments have been reduced or banned if, in certain cases, a patient's condition is considered reasonably preventable. It's part of a drive to increase quality in health care. Now this concept will be extended to Medicaid.

Reducing Premiums, Making it Easier Pre-Existing Conditions to be Covered
The U.S. Department of Health and Human Services (HHS) has announced new steps to reduce premiums and make it easier for Americans to enroll in the Pre-Existing Condition Insurance Plan. Premiums for the Federally-administered Pre-Existing Condition Insurance Plan (PCIP) will drop as much as 40 percent in 18 States, and eligibility standards will be eased in 23 States and the District of Columbia to ensure more Americans with pre-existing conditions have access to affordable health insurance. The Pre-Existing Condition Insurance Plan was created under the
Affordable Care Act and serves as a bridge to 2014 when insurers will no longer be allowed to deny coverage to people with any pre-existing condition, like cancer, diabetes, or asthma.

**Affordability Lessons from Children's Coverage Programs**
States are responsible for on the ground implementation of the Affordable Care Act (ACA), including expanding coverage options through Exchanges and other health insurance programs. This brief examines the affordability of current children's coverage options and coverage under ACA. It also draws on lessons from the Children's Health Insurance Program, which can serve as a model for states as they implement affordability provisions in ACA.

**States' Role in Promoting Meaningful Use of Electronic Health Records**
This brief discusses the responsibilities, opportunities, and challenges for state Medicaid agencies in implementing programs to encourage providers to adopt electronic health records (EHRs). It focuses on the Medicaid Electronic Health Record Incentive Program, established by the Health Information Technology for Economic and Clinical Health (HITECH) Act in the American Recovery and Reinvestment Act of 2009 and jointly administered by the Centers for Medicare and Medicaid Services (CMS) and state Medicaid agencies. This issue includes lessons from states' early experiences in implementing the Medicaid EHR Incentive Program.

**Health Care Quality Gaps and Disparities Persist in Every State**
Most states are seeing improvements in health care quality, but disparities for their minority and low-income residents persist, according to Agency for Healthcare Research and Quality (AHRQ), 2010 State Snapshots. Consistent with past reports, no state was found to do well or poorly on all quality measures. Among minority and low-income Americans, the level of health care quality and access to services remained unfavorable. The size of disparities related to race and income varied widely across the states.

**Medicare Will Help Consumers Get More Accurate Rankings of Providers**
Medicare officials released a proposed rule that would make claims data available that analysts can use to evaluate the performance of doctors, hospitals, and other providers. For years, those who measure the quality of providers' care or rate their performance have been frustrated because they haven't been able to get Medicare data for their reports. In the past, they've relied on information from private health plans. Under the proposed rule, groups who prepare these analyses would be able to combine Medicare information with private insurance claims data and provide more complete public reports about which physicians and hospitals provide the best care.

**New Labels Will Soon Help Consumers Choose Health Plans**
Soon health plans will get coverage labels, similar to cars sticker prices and food nutrition facts labels. These labels will assist consumers in learning how different plans will cover for three medical conditions: maternity care, treatment for diabetes, and breast cancer. To keep things simple, these labels will only be two pages long. Labels will provide pricing based on national averages and not exact numbers that consumers can expect to pay and for now, will only list the three medical scenarios (maternity care, treatment for diabetes, and breast cancer).
U.S. Says New Indiana Law Improperly Limits Medicaid
The Obama administration has prohibited the State of Indiana from carrying out a new state law that cuts off money for Planned Parenthood clinics providing health care to low-income women on Medicaid. Indiana’s state law penalized Planned Parenthood because some of its clinics also perform abortions, even though abortion services are not funded by Medicaid. U.S. CMS officials argue that Indiana’s state law imposed impermissible restrictions on the freedom of Medicaid beneficiaries to choose health care providers, the freedom of choice is guaranteed by the federal Medicaid law. Indiana state officials have said that they intended to continue enforcing the state law, which took effect on May 10.

CA’s Medicaid Case: Could Redefine States' Responsibilities on Medicaid Services
Nearly a quarter of Santa Rosa Memorial Hospital’s patients are on California's Medicaid program – and the state has been trying for years to cut its reimbursement rates for hospitals and other health care providers. Santa Rosa Memorial Hospital, a 278-bed hospital, sued California to try to stop the payment reductions. Now it is part of a case before the U.S. Supreme Court that could redefine states' responsibilities on Medicaid services. The court is likely to hear arguments in the fall and render a decision by next spring.

Fees & Requirements Being Cut for High-Risk Health Insurance Pools
To encourage enrollment in high-risk health insurance pools, a key new benefit of the 2010 health law, the federal government is reducing premiums for new high-risk insurance plans and no longer requiring applicants to submit a rejection letter from private insurers. Enrollment has fallen far short of expectations; only about 18,000 people have signed up since the plans were introduced in most states last summer. Four million uninsured Americans were estimated by the CBO as eligible to join the high-risk pools, and it was originally estimated that 200,000 would be enrolled by 2013.

Ten Great Public Health Achievements
During the 20th century, life expectancy at birth among U.S. residents increased by 62%, from 47.3 years in 1900 to 76.8 in 2000, and unprecedented improvements in population health status were observed at every stage of life. In 1999, MMWR published a series of reports highlighting 10 public health achievements that contributed to those improvements. This report assesses advances in public health during the first 10 years of the 21st century. Public health scientists at CDC were asked to nominate noteworthy public health achievements that occurred in the United States during 2001--2010. From those nominations, 10 achievements, not ranked in any order, have been summarized in this report.