



JOAN BALLWEG

PO Box 8952, State Capitol
Madison, Wisconsin 53708-8952
(608) 266-8077
Toll-free: (888) 534-0041
Rep.Ballweg@legis.state.wi.us

WISCONSIN STATE REPRESENTATIVE

41ST ASSEMBLY DISTRICT

Date: June 5, 2005
To: Rep. Dean Kaufert
Rep. Kitty Rhoades
From: Rep. Ballweg
Re: Medicaid Funding and Wisconsin Hospital Association Downpayment Plan

As you address the Medicaid Funding portion of the budget, I urge you to seriously consider the Wisconsin Hospital Association "Downpayment Plan".

The Plan as proposed has carefully prioritized the programs that have the greatest need and would provide the most benefit. I ask that you keep the plan intact.

The benefit provided is not just in added funding for our Wisconsin hospitals. It will pay dividends for Wisconsin businesses, in reducing the "hidden healthcare tax", and reducing the shift of the healthcare bill to private payers.

The biggest benefit is the additional federal money Wisconsin would capture, estimated at \$34 million for our \$25 million GPR investment. There is no other area of the budget that maximizes and multiplies our GPR dollars.

The summary of the WHA Downpayment Plan is as follows:

Disproportionate Share Hospitals (DSH): Allow hospitals whose annual Medicaid days as a percent of total patient days exceed 10 percent to qualify. This would help forty-six hospitals. \$11.3 million in GPR would result in an additional \$15.4 million in federal matching revenue.

Increase Outpatient Payments Rates: Our investment of \$10 million GPR would result in an additional \$13.6 million in federal matching funds. This would help seventy-seven hospitals in Wisconsin.

Graduate Medical Education (GME): Thirty-one hospitals would benefit from an investment of \$3.7 million GPR and Wisconsin would gain an additional \$5 million in federal matching revenue annually.

At a time when our businesses are struggling to continue providing quality healthcare coverage for their employees, we need to make this positive impact on the Wisconsin healthcare industry. I urge you to take advantage of the additional federal matching revenue available and adopt the WHA Downpayment Plan.

Cc: Sen. Luther Olsen