



NEWS

Contact: Eric Borgerding 608-274-1820

Mary Kay Grasmick 608-274-1820 (office) 608-575-7516 (cell)

Wisconsin Hospital Association Applauds Joint Finance Medicaid Package

MADISON (June 9, 2005)----- The Wisconsin Hospital Association (WHA) today commended the Joint Committee on Finance for its actions on the Medicaid portion of the 2005-07 state budget.

According to WHA, the package that was unanimously approved last night includes a seven percent increase in Medicaid payments for outpatient care -- the first GPR-funded increase for hospital Medicaid payments in eight years.

“When you consider the tremendous challenges the Committee faced going into this budget, we are quite pleased with the overall package,” said WHA President Steve Brenton. “ It’s the first real payment increase hospitals have received in years from the Medicaid program, and a first step towards addressing increasingly poor Medicaid payments to hospitals and the unpaid costs that are ultimately shifted to employers.”

In 2004, Medicaid paid Wisconsin hospitals 55 cents for every dollar they spent treating Medicaid patients. Some Wisconsin hospitals receive as little as \$94 for surgeries that costs thousands of dollars to perform. Those unpaid costs are shifted to the health care bills of employers and employees – also known as the “the hidden health care tax.”

The package also stabilizes funding for the Graduate Medical Education (GME) program, which helps teaching hospitals defray the cost of educating Wisconsin’s future physicians. The Committee adopted Governor Doyle’s added funding for the program, but changed the funding source from one-time bonding and fund transfers to general purpose revenue (GPR).

But perhaps the most important aspect of the plan, according to WHA, is that it preserves access to and funding for Medicaid and BadgerCare.

“The Committee did not change eligibility rules or cut people out of these safety net health care programs,” Borgerding said. “In a bipartisan fashion, the Committee made Medicaid a funding priority in this budget and for that they should be commended.”

“WHA looks forward to working with Joint Finance and Legislative leaders to continue this positive trend in the future.”

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