



ADVOCACY & BENEFITS COUNSELING FOR HEALTH, INC.  
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TO: Advancing a Healthier Wisconsin, Medical College of Wisconsin  
FROM: Advocacy and Benefits Counseling for Health, Inc.  
DATE: January 14, 2008  
RE: The Medical College of Wisconsin's Five-Year Plan 2009-2014

Advocacy and Benefits Counseling for Health, Inc. (ABC for Health) is a Wisconsin-based nonprofit public interest law firm dedicated to ensuring health care access for children and families, particularly those with special needs or who are at risk. ABC for Health's mission is to provide health care consumers with the information, advocacy tools, legal services, and expert support they need to navigate through America's complex and confusing health care financing system.

The proceeds from the conversion of Blue Cross Blue Shield (BCBS) to a for-profit corporation created a tremendous opportunity to transform the public health landscape in Wisconsin. Through the unprecedented allocation of over 800 million dollars of public capital, Wisconsin's medical schools were trusted to take a leadership role to distribute the funds in order to serve the public health needs of the people of Wisconsin. ABC for Health has a longstanding interest in the appropriate allocation of the public's 800 million dollars realized in the for profit conversion of Blue Cross Blue Shield United of Wisconsin. ABC for Health and our partners has vigorously advocated that these public assets be directed to serve the public health needs of Wisconsin people and communities.

Sadly, the initial Five-Year Plan developed by the Medical College of Wisconsin (MCW) strayed from the rules and intent for the BCBS conversion funds set forth by Order of the Insurance Commissioner. The school developed and sought to fund a series of vague and disturbingly self-serving proposals that supplanted funds available from a variety of other sources in direct violation of the Insurance Commissioner's original order. Lost throughout the discourse of the five year planning process is the simple fact that the endowment is the harvest of public capital and the funds were earmarked for public health programs and educational initiatives for the people of Wisconsin.

We maintain that MCW is not a beneficiary of the Blue Cross payback to the citizens of Wisconsin, but rather a trustee of public funds. In the next Five-Year Plan, we expect to see expanded allocations of funds congruent with the conversion fund's original purpose – the promotion of public health and public health initiatives statewide. MCW must work to build project sustainability into the next Five-Year Plan structure and provide continued support to expand projects and collaborations that yield promising results.

ABC for Health is concerned with MCW's research, education and community health funding priorities as the next Advancing a Healthier Wisconsin (AHW) Five-Year Plan is formulated.





## **Research Allocations**

MCW must assume a stronger leadership role in improving the health status of Wisconsinites. These funds, harvested from the taxpayers of this state must be directed back to the people of Wisconsin. Supplanting funds is strictly prohibited by the terms of the Order of the Commissioner of Insurance and in more specific terms by MCW's first Five-Year Plan. The current funding priorities under AHW's Research for a Healthier Tomorrow component, as indicated in the MCW online survey, include using the public's money to fund research in cardiovascular disease, cancer, neuroscience, genetics, functional imaging, bioinformatics, biotechnology and bioengineering. Ample sources of funding are available through federal sources for these fields of research. The National Science Foundation, National Institutes of Health, the Centers for Disease Control, the Indian Health Service, the Environmental Protection Agency and others have major grant-making programs dedicated to biomedical and disease research – particularly cancer and genetics projects which constitute much of the proposed research uses of this money.

ABC for Health reminds MCW conversion funds must be used to support initiatives that are directed to help the people of Wisconsin. These funds should be prioritized for use on needs identified that affect people in our state. Moreover, exceptional efforts must be made to not supplant funds that are national in scope designated to address issues that cross national and international borders. An investigation by ABC for Health of two research allocations made for projects approved in fiscal year 2004 demonstrates just cause for concern.

### **High-throughput Crystallization Robotics Proposal**

The stated purpose of this project was purchase a Gilson 925 PC Workstation to "...facilitate the development of structural biology by developing a robotic facility for high-throughput crystallization trials", in order to "...generate protein crystals suitable for X-ray diffraction." The workstation was intended to "automate the preparation of high-throughput protein crystallography" and "significantly reduce time and expense..." Funding for this project, however, conflicted with non-supplanting criteria identified in both the Commissioner's Order and the Addendum to MCW's Five Year Plan.

- A project co-investigator received funds for High-throughput X-Ray Crystallography instrumentation from the NIH in FY 2003.
- Additionally, a project with a similar purpose and similar equipment, the Center for Eukaryotic Structural Genomics, already existed at the UW-Madison.
- Finally, funding for this equipment purchase existed through other funding sources such as the third-tier PSI grant program, the Doris Duke CIAP grant program and the NIH SIG program.

### **Advanced Nanospray Mass Spectrometer for Proteomic Applications Proposal**

The stated purpose of this proposal was to "...purchase a new Agilent Technologies XTC Plus Liquid Chromatograph/Mass Spectrometer." Similar to the Gibson Workstation



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proposal above, funding for this project appeared to conflict with non-supplanting criteria identified in both the Commissioner's Order and the Addendum to MCW's Five Year Plan.

- Funds for similar instrumentation were received by Professor William Campbell of the Department of Pharmacology and Toxicology from the NIH in FY 2004.
- Furthermore, comparable instrumentation existed and was available for use by MCW students and faculty at UW-Oshkosh and at UW-Madison.
- Finally, funding for this equipment purchase existed through other funding sources such as the NIH SIG program, the Doris Duke CIAP grant program, as well as the American Diabetes Association and American Cancer Society grant programs.

The review performed by ABC for Health of the MCW's approved allocations revealed projects and equipment acquisitions funded with conversion proceeds that appear to be items which, in the absence of BCBS funds, had other sources for funding.

For the next Five Year Plan, ABC for Health urges the Medical College of Wisconsin to follow the legal requirements of the Order of the Commissioner and reject research proposals that would duplicate and supplant existing research and resources. More importantly, MCW must resist allocating funds for initiatives that are national in scope and focus specifically on research proposals that will address the specific needs of the people in Wisconsin. ABC for Health stresses the importance of coordination with local foundations as well as state, county and local agencies tuned into public health needs throughout the state.

### **Healthcare Education and Community Health Allocations**

Healthcare education and community health initiatives are golden opportunities to improve public health in Wisconsin. However, the MCW's online survey curiously includes the development of a Clinical Skills and Learning Center, as well as plans to develop their faculty and library services. Furthermore, MCW would like use conversion funds to provide increased support for student scholarships. ABC for Health maintains that scholarships are a part of the college's budget and normal expenditures. The scholarships noted by MCW are not public health initiatives that will generally benefit the Wisconsin population and thus should not be funded with either the 65% or the 35% of the conversion funds.

- Plans to develop a Clinical Skills and Learning Center – which in the past have included the creation of standard exam rooms, procedure rooms and a patient simulation area – seems like a fairly standard instructional project not related to the goal of furthering public health.
- The ambiguous and non specific goal of “faculty development” is very different than the specific goals outlined in the Commissioner's Order of funding education and research. MCW's inclusion of faculty development in their funding priorities is overly broad and could include inappropriate salary support allocation or other employment perks.
- Enhancing the MCW library is a budget requirement of the college and will not directly benefit the general Wisconsin population.
- General student scholarships are unrelated to the goal of improving public health. Scholarships for students from Wisconsin who explicitly express intent to work with



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underserved populations throughout the state, however, could be an appropriate expenditure.

Education and public health initiatives must serve and prioritize the needs of people in Wisconsin. One potential area for funding would be to study ways to improve systems to support people across the age and disability spectrum to better access both public and private care and coverage, e.g. Senior Benefit Specialists, Disability Advocates, and Health Benefit Counselors.

Due to the increasing complexity of the health care system, many people face hoops, hurdles and reams of red tape as they seek to navigate systems of both health care and coverage. Massive gaps in consumer access to information and advocacy exist that prevent many Wisconsinites from obtaining appropriate coverage. The endowment funds provide an opportunity to invest significant resources into projects that help people in our state to access health care coverage and services or to effectively use their current health insurance.

In the next Five-Year Plan, ABC for Health urges significant funds allocated to support the individual advocacy needs of people across the age and disability spectrum to secure both health care coverage and services.

### **Conclusion**

Public health issues will continue to be dominant concerns for all of us into perpetuity. A commitment by MCW to remain a steward of these public conversion funds will play an important role in helping to make sure Wisconsin leads the country in serving the health care access and coverage needs of its citizens.

We appreciate the opportunity to have our input considered.

### **ABC for Health Inc.**

By:

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