



June 10, 2010

Eileen Smith, Director
Wisconsin Partnership Program
UW School of Medicine and Public Health
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RE: WPP draft 2009 Annual Report

Dear Ms. Smith:

Thank you for the opportunity to respond to the draft 2009 Annual Report of the Wisconsin Partnership Program.

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.

ABC for Health has a longstanding interest in the appropriate allocation of the Blue Cross Blue Shield conversion funds. ABC for Health has vigorously advocated that these public assets be directed to serve the public health needs of Wisconsin people and communities.

We are pleased that the draft 2009 Annual Report includes some new and clarified policies that may help WPP better and more appropriately distribute these public funds. In particular, we thank you for developing new funding guidelines that will permit the WPP to award funds annually, in even the roughest economic conditions, while still protecting the value of the endowment. We look forward to learning the details of these new guidelines. We also look forward to reading your revised non-supplanting policy. The recent Legislative Audit Bureau report revealed that the prohibition on supplanting requires clarification.

In addition to these potentially positive policy changes, the draft 2009 Annual Report also contains several items of concern.

- Many funded research projects are still not Wisconsin-specific



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Many funded research projects listed in the Annual Report lack a focus on Wisconsin-specific public health issues. For example, it is not clear how the Health Innovator's Program or the Human Proteomics Program specifically relate to the specific and prioritized health needs of Wisconsin citizens. The Insurance Commissioner's March 2000 order states that the purpose of the conversion funds is to "promote public health initiatives that will generally benefit the Wisconsin population." Therefore a threshold question in the review process must be: How do these research activities relate to the specific and prioritized health care needs of people in Wisconsin? Research projects supported by these funds must investigate local or statewide health issues, rather than national health issues which are under the purview of the NIH and other federal, national, or international funding sources.

- Funds support core medical school functions

While we understand the MERC's enhanced mission of incorporating public and community health goals into its education and research efforts, many expenditures still do not directly support Wisconsin's public health. A number of research grants support or supplant core medical school activities, including student education, faculty recruitment, and equipment purchases. For example, the Health Innovators Program dedicates funds to faculty recruitment; the Institute for Clinical and Translational Research has purchased equipment with grant funds; and the Master of Public Health Program supports student education. As the Legislative Audit Bureau's Report points out, these core medical school expenses do not directly relate to Wisconsin's public health. In addition, these expenditures appear to supplant the medical school's normal operating budget.

- The 35/65 split remains unchanged

The draft Annual Report indicates that the OAC reviewed and assessed the allocation percentage for public health and for medical education and research initiatives, and unanimously agreed to maintain the allocation of 35% for public health initiatives and 65% for medical education and research. Incredibly, over the past decade, the 35/65 split has not changed, despite an increase in the fund amount and other funding that is newly available, and despite evolving threats to the public health of Wisconsin.

Thank you for the opportunity to comment on this draft Annual Report. We look forward to the final version.

Sincerely,

Bobby Peterson
Public Interest Attorney
ABC for Health, Inc.

cc: Legislative Audit Bureau, Office of the Commissioner of Insurance