

WISCONSIN STATE  
LEGISLATURE  
COMMITTEE HEARING  
RECORDS

2005-06

(session year)

Assembly

(Assembly, Senate or Joint)

Committee on  
Insurance  
(AC-In)

(Form Updated: 11/20/2008)

**COMMITTEE NOTICES ...**

➤ Committee Reports ... CR  
\*\*

➤ Executive Sessions ... ES  
\*\*

➤ Public Hearings ... PH  
\*\*

➤ Record of Comm. Proceedings ... RCP  
\*\*

**INFORMATION COLLECTED BY COMMITTEE  
FOR AND AGAINST PROPOSAL ...**

➤ Appointments ... Appt  
\*\*

Name:

➤ Clearinghouse Rules ... CRule  
\*\*

➤ Hearing Records ... HR (bills and resolutions)  
\*\*

➤ Miscellaneous ... Misc

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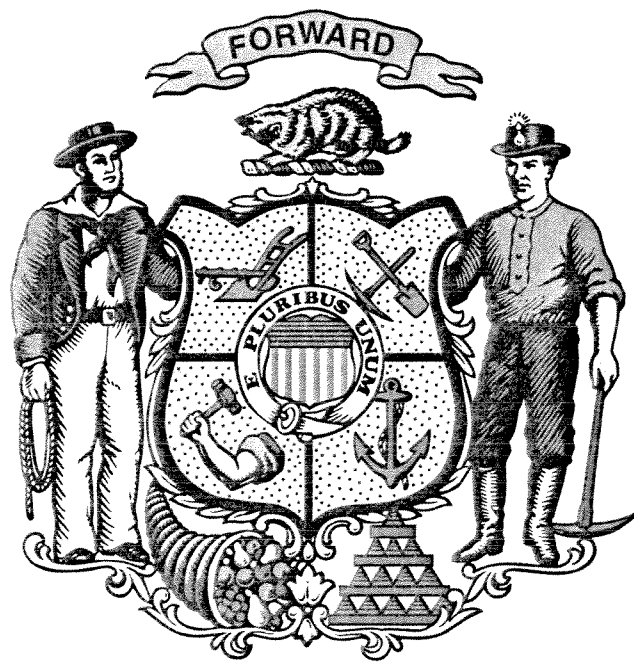
**(misc. 2005 documents)**

01-03-2005

# 2005 ASSEMBLY COMMITTEES

COMMITTEE NAME	PARTY SPLIT	COMMITTEE CHAIRPERSON	COMMITTEE CLERK	OFFICE NO.	OFFICE PHONE	HEARING DAY	HEARING WEEK	HEARING ROOM	HEARING PHONE
Administrative Rules (Joint)	3-2	Mark Gottlieb	Denise Solie	103 W	7-2369				
Aging and Long-Term Care	6-4	John Townsend	Minette Lawrence	22 W	6-3156	Thursday	Even	225 NW	6-3454
Agriculture	9-6	Al Ott	Erin Napralla	318 N	6-5831	Thursday	Even	417 North	4-8318
Assembly Organization	5-3	John Gard	Eileen Nowak	211 W	6-3387				
Audit (Joint)	3-2	Suzanne Jeskewitz	Pam Matthews	314 N	6-3796				
Budget Review	4-2	Samantha Kerkman	Sarah Popp	109 W	6-2530	Tuesday	Odd	328 NW	6-2403
Campaigns and Elections	4-2	Stephen Freese	Terri Griffiths	115 W	6-7502	Thursday	Even	300 NE	6-7646
Children and Families	5-3	Steve Kestell	Dave Matzen	17 W	6-8530	Thursday	Even	328 NW	6-2403
Colleges and Universities	7-5	Robin Kreibich	Brad Hub	107 W	6-0660	Tuesday	Odd	225 NW	6-3454
Corrections and the Courts	6-4	Garey Bies	Andrew Nowlan	125 W	6-5350	Wednesday	Odd	400 NE	6-2848
Criminal Justice and Homeland Security	7-5	Scott Suder	Anne Emerson	21 N	7-0280	Wednesday	Odd	417 North	4-8318
Criminal Penalties (Joint)									
Economic Development	6-3	Terri McCormick	Ryan Murray	127 W	6-7500	Tuesday	Even	400 NE	6-2848
Education	7-5	Debi Towns	Casey Langan	302 N	6-9650	Tuesday	Odd	417 North	4-8318
Education Reform	6-3	Leah Vukmir	Dean Cady	307 N	6-9180	Wednesday	Odd	328 NW	6-2403
Employment Relations (Joint)	3-1	John Gard	Eileen Nowak	211 W	6-3387				
Energy and Utilities	7-4	Phil Montgomery	Adam Raschka	129 W	6-5840	Tuesday	Even	415 NW	6-2411
Family Law	4-2	Carol Owens	Jacqueline Dicks	315 N	7-7990	Thursday	Even	400 NE	6-2848
Finance (Joint)	6-2	Dean Kaufert	Diane Harmelink	308 E	4-8314	All	All	412 East	
Financial Institutions	9-6	Jean Hundertmark	Jason Rostan	13 W	6-3794	Thursday	Even	415 NW	6-2411
Forestry	4-2	Don Friske	Tim Gary	312 N	6-7694	Tuesday	Even	300 NE	6-7646
Government Operations and Spending Limitations	4-2	Frank Lasee	Lance Burri	105 W	6-9870	Wednesday	Odd	225 NW	6-3454
Health	8-5	Gregg Underheim	Randy Thorson	11 N	6-2254	Tuesday	Even	417 North	4-8318
Highway Safety	5-3	Jerry Petrowski	Katie Scott	4 W	6-1182	Wednesday	Even	400 NE	6-2848
Housing	4-2	Steve Wieckert	Scott Becher	16 W	6-3070	Thursday	Odd	400 NE	6-2848

COMMITTEE NAME	PARTY SPLIT	COMMITTEE CHAIRPERSON	COMMITTEE CLERK	OFFICE NO.	OFFICE PHONE	HEARING DAY	HEARING WEEK	HEARING ROOM	HEARING PHONE
Information Policy and Technology (Joint)	3-2								
Insurance	9-6	Ann Nischke	Mary Jan Rosenak	8 N	6-8530	Thursday	Odd	328 NW	6-2403
Judiciary	5-3	Mark Gundrum	Jolene Churchill	19 N	7-5158	Thursday	Odd	225 NW	6-3454
Labor	6-3	Steve Nass	Mike Mikalsen	12 W	6-5715	Wednesday	Even	225 NW	6-3454
Legislative Organization (Joint)	3-2	John Gard	Eileen Nowak	211 W	6-3337				
Medicaid Reform	6-3	Curt Gielow	Julie Sawyer	316 N	6-0436	Wednesday	Odd	North HR	4-8317
Military Affairs	5-3	Terry Musser	Marlene Reineking	11 W	6-7451	Wednesday	Even	417 North	4-8318
Natural Resources	9-6	Scott Gunderson	Mike Bruhn	7 W	6-3363	Wednesday	Even	415 NW	6-2411
Property Rights and Land Management	4-2	Sheryl Albers	Ryan Gruber	15 N	6-8531	Wednesday	Odd	300 NE	6-7646
Public Health	5-3	J.A. Hines	Carolyn Hughes	10 W	6-7746	Wednesday	Odd	415 NW	6-2411
Retirement Systems (Joint)	2-1	Dan Vrakas	Jason Vick	119 W	6-3007				
Rules	7-5	Mike Huebsch	Bob Karius	215 W	6-2401				
Rural Affairs and Renewable Energy	6-3	Eugene Hahn	Wendy Mimick	15 W	6-3404	Thursday	Odd	300 NE	6-7646
Rural Development	5-3	Mary Williams	Cindy Poizin	18 W	6-7506	Wednesday	Even	328 NW	6-2403
Small Business	5-3	Karl Van Roy	Tanya Hein	123 W	6-0616	Tuesday	Odd	415 NW	6-2411
Southeast Wisconsin Freeways	4-2	Mark Honadel	Chris Reader	6 N	6-0610	Tuesday	Even	225 NW	6-3454
State Affairs	6-3	Jeff Fitzgerald	Brian Pleva	113 W	6-2540	Tuesday	Even	328 NW	6-2403
State-Federal Relations	4-2	Thomas Lothian	Royce DeBow	306 N	6-1190	Thursday	Odd	North HR	4-8317
Tax Exemptions (Joint)	2-1	Phil Montgomery	Adam Raschka	129 W	6-5840				
Tourism	7-5	Mark Pettis	Kimber Liedl	20 N	7-2365	Tuesday	Odd	300 NE	6-7646
Transportation	9-6	John Ainsworth	Kristina Boardman	309 N	6-3037	Thursday	Odd	417 North	4-8318
Urban and Local Affairs	5-3	Dan LeMahieu	Jeff Grothman	17 N	6-9175	Tuesday	Odd	North HR	4-8317
Veterans Affairs	5-3	Gabe Loeffelholz	Virginia Mueller Keleher	317 N	6-7461	Tuesday	Odd	400 NE	6-2848
Ways and Means	8-5	Jeff Wood	Anthony Blodgett	7 N	6-1194	Wednesday	Even	300 NE	6-7646
Workforce Development	7-4	Judy Krawczyk	Ken Machtan	9 N	6-0485	Thursday	Odd	415 NW	6-2411





Posted Jan. 07, 2005

## **Editorial: Settling contract disputes not the Legislature's job**

If you "Google" the terms "foot dragging," "Fox River" and cleanup, you'll get 21 hits. It's surprising there aren't more.

First, it was the paper companies that released PCBs into the river. Now, complains the paper industry — experts in foot dragging — it's the dozens of insurance companies that covered them.

The Legislature could put a stop to this by forcing some of the insurers to pay up to the limit of the paper companies' policies, then haggle among themselves while the river cleanup goes happily along. That's what a bill backed by Rep. Dean Kaufert, R-Neenah, and Sen. Rob Cowles, R-Green Bay, proposes.

Why not? Paper industry protected, jobs saved, municipalities (and their taxpayers) off the hook, river clean. But it's not the Legislature's place. We want to see the cleanup go forward with all haste, but lawmakers can't start enacting laws to settle contract disputes, no matter how maddening the wait or what's at stake. It's between the paper companies, their insurers and the courts.

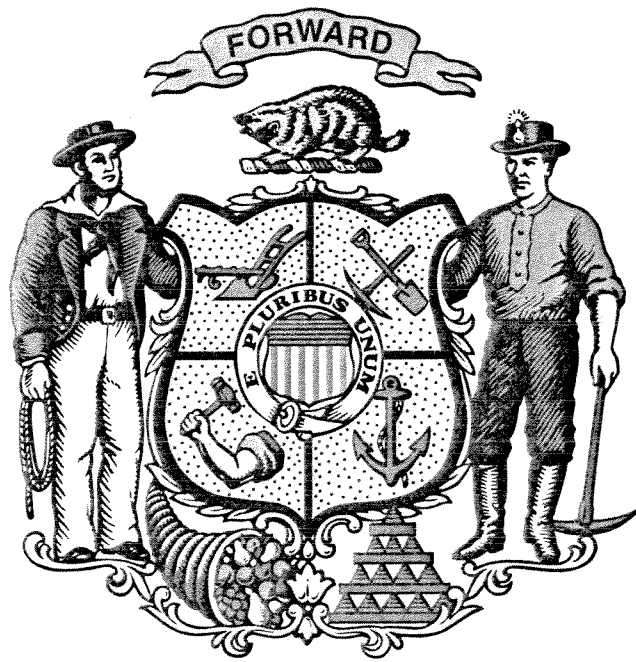
This wasn't hashed out earlier in the Fox River cleanup saga because until about a year ago, the state Supreme Court's rulings indicated that most general liability policies didn't cover environmental cleanups.

Then, in 2003 the Court reversed itself, and ruled that pollution is property damage and that a government order to clean up a site has the same force as a lawsuit. It's a long story, and if you want to know more, you can read the decision at [www.wisbar.org/res/sup/2003p/01-1193.pdf](http://www.wisbar.org/res/sup/2003p/01-1193.pdf).

So, the insurance companies are pretty much where the paper companies were a few years ago. Many different insurers covered the paper companies over the years, with a myriad of policies. It's a nightmare, like figuring out who dumped how much into the river.

In court, the insurance companies will fight to pay as little as possible, and the paper companies will try with equal vigor to get as much out of them as possible. That's business. It may take a long time, but that's the way the process works.

As tempting as it is to step in legislatively, lawmakers have to resist, just as they did when the paper companies were dragging their feet.



**An Explanation of ...  
“Health Savings Accounts”  
Tax free healthcare benefits**

Presented by:  
Representative Curt Gielow (R-  
Mequon)  
January 20, 2005

# What is a Health Savings Account ("HSA")?

- **Totally tax-free instrument for accumulating monies to pay for "qualified" medical care expenses**
- **Monies must accumulate in a trust or custodial account set up by an "eligible individual"**
- **Participant must be covered by a "high-deductible health plan" ("HDHP")**
- **Created under the new Medicare legislation enacted in December 2003**
- **Goal – Contain spiraling healthcare costs by sparking a consumer-led revolution in the way health care is financed**



## Who is eligible for a Health Savings Account?

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Anyone who is, for a given month --

- Enrolled in a HDHP
- Not covered by another non-HDHP
- If covered by another HDHP, plan with lower deductible governs
- Not Medicare-eligible (i.e., is < age 65)
- Not being claimed as a dependent on someone else's tax return

## What is a “high-deductible health plan” (HDHP)?

- Annual single deductible of at least \$1,000
- Out-of-pocket expenses (DCCs) \$5,000
- Annual family deductible of at least \$2,000
- Out-of-pocket expenses (DCCs) \$10,000
- Above amounts will be indexed for inflation
- Plan cannot provide benefits until deductible met
- Plan may carve out “preventive care” services; i.e., can have \$0 deductible for preventive care and still qualify as a HDHP
- Can have higher out-of-pocket expenses for out-of-plan or non-preferred providers and still qualify as a HDHP

## **Can a HDHP be a self-funded (“self-insured”) plan?**

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- **Yes! Employers functioning on a self-funded basis can establish a HDHP eligible for HSA treatment.**
- **Because self-funded plans are controlled by each employer, self-funded HDHPs may be the most prolific.**
- **At self-funded employers, unions may push for HDHPs.**

# Who may contribute to a HSA?

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- An HSA is established by an individual, not an employer. It belongs to that individual and is completely portable.
- An employee and/or employer contributes to the HSA.
- The self-employed or unemployed may contribute to an HSA.
- A family member may contribute to the HSA of another family member who is an eligible individual.

# What are the contribution limits?

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- An individual may contribute up to the amount of the self-only deductible, but not greater than \$2,600.
- A family may contribute up to the amount of the family deductible, but not greater than \$5,150.
- The above amounts are for 2004; they will be adjusted for future years.
- The above amounts are based on 12 full months of eligibility. They are prorated for eligibility of less than 12 full months.
- Individuals 55 and over can additionally contribute an extra \$500 (known as a “catch-up contribution”) for 12 full months of eligibility (increasing to \$1,000 by 2009).
- No contributions can be made once the individual reaches age 65.

# What are the tax ramifications?

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- Contributions made by an individual on her own account are deductible whether or not she itemizes deductions.
- Contributions made on behalf of a family member are deductible by that family member.
- Contributions made by an employer are deductible business expenses, but are not taxable to the recipient.
- Contributions grow tax free; build-up not taxed.
- Withdrawals to pay for eligible medical expenses (of individual, or spouse, or family member) are tax free.)

Note: Currently, the deduction applies to federal taxes only.

# What are the tax ramifications?

- Withdrawals for non-medical expenses subject to 10% penalty and are taxed. Penalty waived for individuals who have reached age 65, or becomes disabled.
- Contributions can be made any time during the calendar year, and by April 15 for the previous calendar year.
- If the individual dies, then the account passes to the designated beneficiary. If the beneficiary is a spouse, HSA monies can be used for qualified medical expenses of the spouse. If beneficiary someone else, the amount remaining in the HSA becomes taxable income to that beneficiary.
- Discrimination rules apply to employer contributions. Employers must contribute the same amount or the same percentage of the deductible for all employees.

# What are “qualified medical expenses”?

- HSA monies can be used to pay for any health care services covered by the underlying HDHP insurance policy. Additionally, HSA monies can be used to pay for:
  - Claims rejected by insurance company for variety of reasons, such as: out-of-plan provider, provider charge exceeds U&C limits, services not authorized, services subject to DCC, service not “medically necessary”, etc.
  - Certain OTC “medicines or drugs” (antacids, allergy medicines, pain relievers, and cold medicines). (New IRS ruling.) (Excludes dietary supplements such as vitamins.)
  - Vision correction (LASIK) surgery.
  - Transportation expenses relative to health care.



# What are “qualified medical expenses”?

- HSA monies can be used to pay for any health care services covered by the underlying HDHP insurance policy. Additionally, HSA monies can be used to pay for:
  - ▶ Services in excess of limits (e.g., # of mental health or chiropractic visits).
  - ▶ Optometric services.
  - ▶ Hearing aids.
  - ▶ Long term care insurance and COBRA insurance premiums.
  - ▶ Prescriptions drugs not on a formulary.
  - ▶ Legal fees (in connection with authorization of medical care).
  - ▶ Lodging (away from home for outpatient care)
  - ▶ Infertility services.
  - ▶ Medicare Part A & Part B premiums.
  - ▶ Employee share of premiums for employer-sponsored health plans.
  - ▶ Health insurance premiums paid by an employee who is receiving unemployment compensation.
  - ▶ Etc.

# How do HSAs differ from past tax-shelters for healthcare expenses?

	Medical Savings Account	Flexible Spending Account (Section 125 Plan)	Health Reimbursement Arrangement (Section 105 Plan)
Owner	Individual/Employee	Individual/Employee	Employer
How funded?	\$ deposited directly into account	Employee designates a fixed amount of pre-tax wages to be deposited into account; "salary reduction"	Employer establishes a fixed amount for each employee; employer reimburses employee for documented medical expenses. Cannot be "salary reduction"

# How do HSAs differ from past tax-shelters for healthcare expenses?

	Medical Savings Account	Flexible Spending Account (Section 125 Plan)	Health Reimbursement Arrangement (Section 105 Plan)
Type of corresponding health plan	Only high-deductible plan allowed	Any type of health plan	Any type of health plan
Portable?	Yes	No. "Use it or lose it"	Year-to-year rollover. However, employer can choose to "take back" fund balance if employee leaves the company.

## **Administrative and Operating Provisions of HSAs.**

- **Any eligible person may establish an IRA. No permission is required either from the IRS or one's employer.**
- **The HSA does NOT have to be opened with the same company (e.g., insurance company) that offers the HDHP. There is no tie-in. The HSA is separate and distinct from the HDHP.**
- **Participants may want to avoid using the insurance company for their HSA, so as to retain flexibility to change insurance carriers.**

## **Who can serve as trustee or custodian?**

- **Any licensed insurance company.**
- **Any bank.**
- **Anyone already approved by the IRS to be a custodian of IRAs or MSAs; e.g., mutual fund companies and brokers.**
- **Others by petitioning the IRS.**

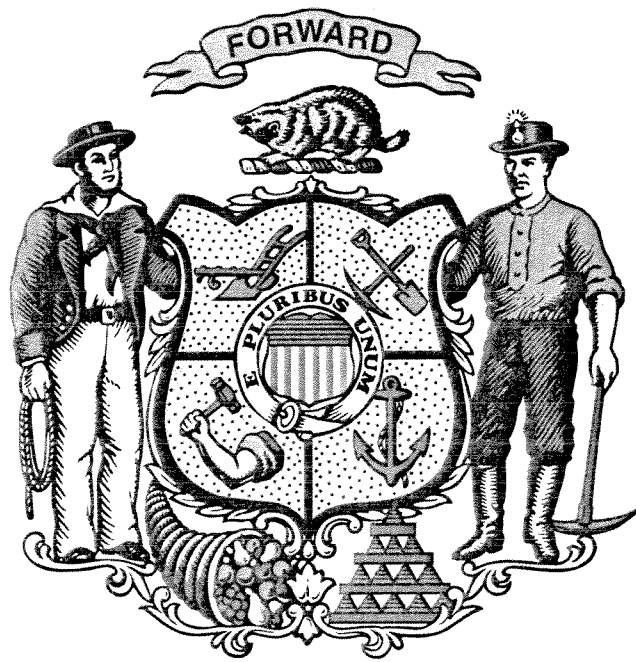
## **What are the reporting requirements?**

- **The HSA trustee or custodian does NOT have to determine whether withdrawals were used for legitimate medical expenses.**
- **Each individual should maintain adequate records to prove withdrawals were for legitimate 213(d) expenses.**
- **IRS will release forms and instructions to report HSA contributions and withdrawals.**
- **Employers must report HSA contributions on W2 form.**

# Who will benefit from HSAs?

Annual Medical Expenses \$ spent on medical care annually	Percent
No medical expenses \$0	33.00%
\$1 - \$500	40.00%
\$501-\$1,000	9.00%
\$1,001 - \$2,000	7.00%
\$2,001 - \$5,000	6.00%
\$5,001-\$10,000	2.25%
\$10,001 - \$25,000	2.00%
\$25,001 - \$50,000	0.50%
\$50,001 - \$100,000	0.20%
\$100,001 and up	0.05%

(Source: [www.americanhealthvalue.com/FYIMedicalExpenses.cfm](http://www.americanhealthvalue.com/FYIMedicalExpenses.cfm))





...ability environment in Wisconsin... addressing the...  
...y Warmuth, vice president of workforce, WHA. "The current environment has  
...is to Wisconsin, and has averted the loss of physicians due to prohibitively high  
...urance premiums that states without caps have experienced."

## **HIRSP Payment Rates to Climb at Least 5 Percent**

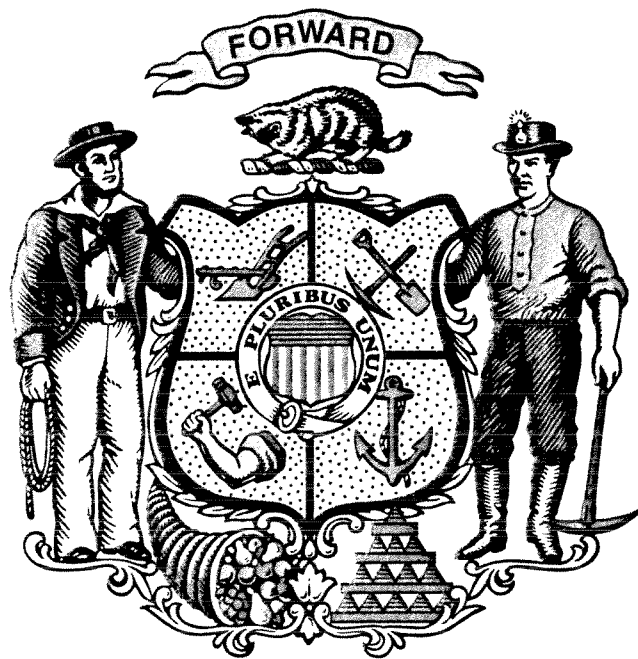
Payments to health care providers under the Health Insurance Risk-Sharing Plan (HIRSP) will increase by at least five percent beginning in July of this year as a result of action January 14 by the HIRSP Board of Governors.

HIRSP is the state's health insurance program for medically uninsurable individuals who do not have access to employer-sponsored health insurance. The program currently covers more than 18,000 people.

Because of rapidly increasing health care charges, the program's consulting actuaries had recommended a double-digit premium increase for participants and a new methodology for calculating program costs to take effect during the last quarter of the current policy year, which ends June 30. At the same time, the actuaries recommended a five percent increase in provider reimbursement because current rates are at approximately the same level as they were in 2001-02.

In order to avoid an interim premium increase, the Board agreed to delay the provider rate increase until the beginning of the new policy year on July 1. Provider payment rate increases for the next policy year could be higher than five percent if a larger increase is needed to ensure that providers do not contribute more than their mandated 20 percent share of HIRSP program costs.

By law, policyholder premiums are set to recover 60 percent of program costs. Health insurers and providers share the funding burden for the remaining 40 percent. Insurers pay assessments based on their respective Wisconsin market shares. Provider contributions are made in the form of reductions in the rates they would otherwise be paid under the HIRSP policy.



# Consumer health plan shows promise

**S**erigraph Inc.'s first full year on a consumer-driven health plan hardly constitutes a definitive case study, but the early returns are encouraging for companies going that way.

For the 12 months, medical costs at my company came in dead even on a per-capita basis. In most worlds, break-even would be a non-event. In the hyper-inflated world of health care, it's a major victory.

We came in at \$3,050 per life, very near the national average for private companies. That's for all costs, including drugs, dental, mental health and outside administrative fees.

Most health plans suffered double-digit increases or close to that level in 2004. And most public plans are almost double the per-capita costs of the private sector. They would kill to come in even.

Several conclusions and observations emerge from our year as a guinea pig:

■ Consumer-driven health plans significantly change individual behavior. Our utilization was down 17%.

■ Drug costs were up 13% despite a three-tier incentive system to stimulate smart purchasing. We'll have to get smarter in this area.

■ Despite the criticism that consumer-driven plans are nothing more than cost-shifting to employees, our split between employer and employees remained constant — 84% company and 16% employees. The company sharply reduced

## BUSINESS ISSUES

JOHN TORINUS

premiums and offered a Health Reserve Account to offset higher deductibles and co-insurance. The company has to front the money to make it work on the bet that the incentives will change buying behavior. In our case, the bet looks to be paying off equally for company and workers.

■ Another criticism of consumer-driven plans is that under-utilization will result. That was met with free prevention and wellness visits, such as for mammograms and prostate tests, and by lowering the co-pay for doctor visits to \$20. We want our people to go to the doctor early and often for prevention and wellness.

■ The employees have used only about one-quarter of their Health Reserve Account accruals. The balance rolls forward in their accounts. This suggests many are building their accounts for use if and when they face a big medical bill.

Our journey toward more individual responsibility as medical consumers is far from over.

We've gained from more disciplined utilization, but our purchasing still takes place in the dark. Our project to make transparent quality and price ratings of doctors and hospitals stumbled during 2004, but we mean to get those screens onto our intranet site in 2005.

For example, total hip replacements can vary in price

in Milwaukee from \$24,000 to more than double that. Our people need to have that information to become sharp consumers.

We've contracted with a part-time nurse, chiropractor and dietician, which we hope will improve care, lifestyles and costs.

We're adding an audit function to look at all medical bills over \$5,000 on the belief that lots of excessive billing is hidden in the maddeningly complex bills. More on that as results come back.

We haven't figured out what to do yet on procedures over \$11,000. At that point, the employee is beyond the maximum out-of-pocket of \$4,000, and it's free lunch again.

We may offer a bonus of several thousand dollars if our people buy at a cost-effective provider.

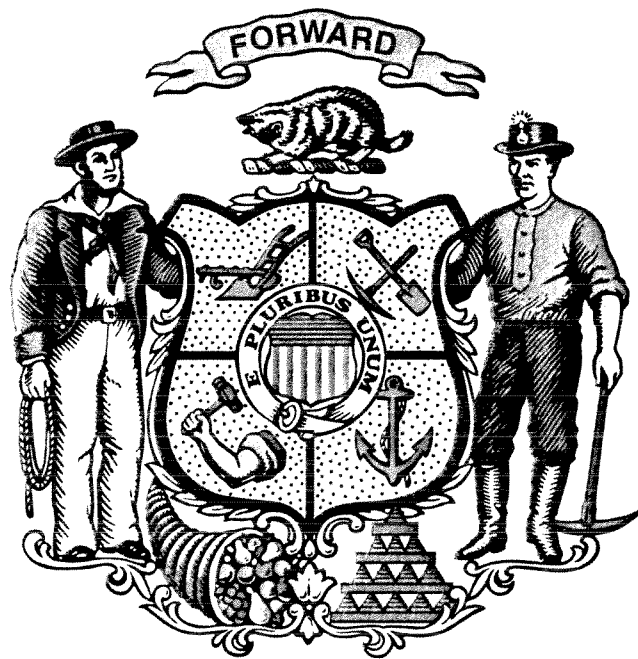
Some Milwaukee companies are simply paying a maximum — say, \$30,000 for a hip. If the employee wants to go for a \$40,000 hip, the extra \$10,000 is out of the employee's pocket.

All of these measures drive toward creating a real marketplace for health care where none now exists.


Serigraph's early experience is saying that a system centering on the consumer really can work.

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*John Torinus is chief executive officer of Serigraph Inc. of West Bend. Contact him at [torcolumnn@serigraph.com](mailto:torcolumnn@serigraph.com).*



Tues 25

Coop Bill (Gielow) 

Expand ERAR

Choice Cap

Soldiers

27

Unif. Emissions (Krawczyk)

Gielow

4yr Terms County

Tsurumi

HSA's ?

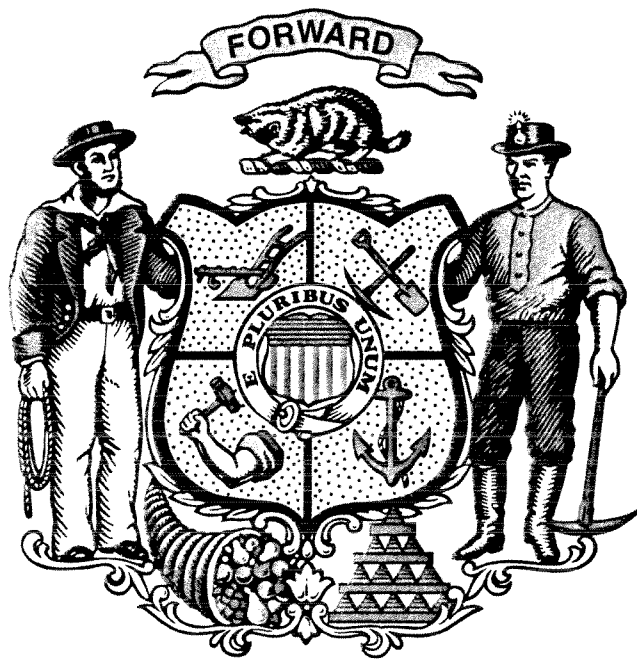
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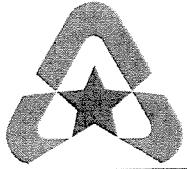
Feb 8 - Budget Address



Eligible 1-1-04  
Deductible date

- No more in network / out of network  
  ~~network~~  
  ~~penalties~~
- No more pre-approvals
- No more refusals to pay  
  for services already  
  rendered
- ~~Eliminates a ton of paperwork~~
- # Stay w/ them (regardless of job)
- # Rollover





Council for  
Affordable Health  
Insurance

# HEALTH INSURANCE MANDATES IN THE STATES

## 2005



Prepared by:

Victoria Craig Bunce  
Director of Research & Policy

JP Wieske  
Director of State Affairs

January 2005



# A State-by-State Breakdown of Health Insurance Mandates and Their Costs

A health insurance “mandate” is a requirement that an insurance company or health plan cover (or offer coverage for) common — but sometimes not so common — health care providers, benefits and patient populations. They include:

- Providers such as chiropractors and podiatrists, but also social workers and massage therapists.
- Benefits such as mammograms, well-child care and even drug and alcohol abuse treatment, but also acupuncture and hair prostheses (wigs).
- And populations such as adopted and non-custodial children.

For almost every health care product or service, there is someone who wants insurance to cover it so that those who sell the products and services get more business and those who use the products and services don't have to pay out of pocket for them.

**The Impact of Mandates.** While mandates make health insurance more comprehensive, they also make it more expensive because mandates require insurers to pay for care consumers previously funded out of their own pockets. Based on our analysis presented in this paper, mandated benefits currently increase the cost of basic health coverage from a little less than 20% to more than 50%, depending on the state. Mandating benefits is like saying to someone in the market for a new car, if you can't afford a Lexus loaded with options, you have to walk. Having that Lexus would be nice, as would having a health insurance policy that covers everything one might want. But drivers with less money can find many other affordable options; whereas when the price of health insurance soars, few other options exist.

According to the 1999 study “Mandated Benefit Laws and Employer Sponsored Health Insurance,” by economists Gail Jensen and Michael Morrissey for the Health Insurance Association of America (HIAA), as many as one in four individuals who are without coverage are uninsured because of the cost of state health insurance mandates.

**Why Is the Number of Mandates Growing?** Elected representatives find it difficult to oppose any legislation that promises enhanced care to potentially motivated voters. The sponsors of mandates know this fact of political life. As a result, government interference in and control of the health care system is steadily increasing. So too is the cost of health insurance.

By the late 1960s, state legislatures had passed only a handful of mandated benefits; today, the Council for Affordable Health Insurance (CAHI) has identified more than 1,800 mandated benefits and providers. More are on their way. In January 2004 alone, CAHI followed the introduction of 295 new mandates in states across the country. This number only increased as the legislative sessions progressed.

How do state legislators justify their actions? One way is to deny a mandate is a mandate. For example, legislators may claim that requiring health insurance to cover a type of provider — such as a chiropractor, podiatrist, midwife or naturopath — is not a mandate because they aren't requiring a particular therapy. But if insurance is required to cover the provider, it must pay for the service provided. There is no essential difference in requiring insurance to cover a chiropractor (a provider) or chiropractic care (the therapy).

Another way legislators justify their support is to assert the new mandate will cost little or nothing. Indeed, legislators and a mandate's supporters usually claim that mandating a new provider or benefit will *save money*. But with more than 1,800 mandates in force, we have overwhelming evidence: mandates virtually always cost money rather than save it.

**CAHI's Mandated Benefits and Providers Chart.** The Council for Affordable Health Insurance tracks the introduction and passage of health insurance mandates in every state. The information is broken down on a state-by-state basis into three categories: benefits, providers and covered populations. Boxes with a “Y” indicate that the state has passed that particular mandate. Totals for each state and mandate are also included. Thus anyone can easily determine how many mandates and which ones each state has passed.

**Mandates and Standard Coverage.** Please note that the health care community would consider some of the mandates listed in the chart to be the typical and appropriate standard of care and/or treatment, and therefore would likely be included in many standard health insurance policies. The purpose of this chart is to tabulate the number of benefits mandated by the states and assess their impact on the cost of insurance — not to make judgments about which mandates should or should not be included in a health insurance policy.

**Assessing the Cost of Mandates.** In addition listing the state mandated benefits, this chart provides a cost assessment of each one. CAHI's Actuarial Working Group on State Mandated Benefits analyzed company data and their experience and provided cost-range estimates — less than 1%, 1-3%, 3-5% and 5-10% — if the mandate were added to a comprehensive family policy that did not include the coverage. However, mandate legislation differs from bill to bill and from state to state. For example, one state may require insurance to cover a limited number of chiropractor visits per year, while another state may require chiropractors to be covered equally with medical doctors. The second will have a greater impact on the cost of a health insurance policy than the first. It would be impossible to make a detailed assessment of the cost of each state's mandates without evaluating each piece of legislation (more than 1,800 of them). Thus, the estimated cost level indicated in the chart is considered typical but may not apply to all variations of that mandate. Further, the additional cost of a mandate depends on the benefits of the policy to which it is attached. Example: A mental health mandate costs nothing if it is already covered but can be very costly if added to a policy that doesn't cover it.

It is also important to note that mandated benefits may only apply to certain kinds of coverage. For example, a mandated benefit may exempt individual or small group coverage or may only apply to insurance companies that are domiciled in the state. As a result, some kinds of coverage are disproportionately affected and become less attractive to buyers (who now seek out alternatives to these high-cost plans). Finally, states may pass a mandate in one legislative session only to come back in a later session and either expand or reduce the original bill's scope.

**A Caution about Comparisons and Cost Estimates.** Because mandates can drive up the cost of health insurance, it would be easy to assume that the states with the most mandates would also have the highest premiums. While that may be true in some states, it is not necessarily so. Some mandates have a much greater impact on the cost of health insurance than others. For example, mental health parity mandates, which require insurers to cover mental health care at the same levels as physical health care, have a much greater impact on the cost of premiums than would mandates for inexpensive procedures which few people need.

*Warning:* It may be tempting to think that since a particular mandate doesn't add much to the cost of a health insurance policy, there is no reason for legislators to oppose it. The result of this reasoning is that many states have 40, 50 or more mandates. Although one mandate may only increase the cost of a policy by 1%, 40 such mandates will price many people out of the market. It is the accumulated impact of dozens of mandates that makes health insurance inaccessible to people. Where health insurance may have been affordable, adding additional benefits to a comprehensive policy will price some people out of the health insurance market.

**The Rest of the Story.** The mandates enumerated here don't tell the whole story. States have other ways of adversely affecting the cost of health insurance. For example, several states have adopted legislation that requires health insurers to accept anyone who applies, regardless of their health status, known as "guaranteed issue." Or they limit insurers' ability to price a policy to accurately reflect the risk an applicant brings to the pool, known as "community rating" or "modified community rating." Both guaranteed issue and community rating can have a devastating impact on the price of health insurance, especially as younger and healthier people cancel their coverage, leaving the pool smaller and sicker.

Thus, in the aggregate, mandates drive up the cost of health insurance. But determining the impact in a particular state requires careful analysis of each piece of mandate legislation, as well as other regulations that have been promulgated.

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*For more information on government mandates, guaranteed issue and community rating, please visit CAHI's website at [www.cahi.org](http://www.cahi.org).*

	Total	Est. Cost	AK	AL	AR	AZ	CA	CO	CT	DC	DE	FL	GA	HI	IA	ID	IL	IN	KS	KY	LA	MA	MD	
<b>BENEFITS</b>																								
Alcoholism	45	1% to 3%	Y	Y	Y		Y	Y	Y	Y		Y	Y	Y			Y	Y	Y	Y	Y	Y	Y	Y
Alzheimer's	2	<1%																						Y
Ambulatory Surgery	12	1% to 3%			Y	Y						Y	Y	Y							Y	Y		
Ambulance	8	<1%							Y			Y											Y	
Autism	5	<1%									Y		Y					Y			Y			
Birthing Centers/Midwives	6	<1%						Y				Y												
Blood Lead Poisoning	6	<1%					Y					Y											Y	
Blood Products	1	<1%																						Y
Bone Marrow Transplants	10	<1%										Y	Y								Y		Y	
Bone Mass Measurement	13	<1%					Y						Y				Y		Y	Y				Y
Breast Reconstruction	48	<1%	Y	Y	Y	Y	Y		Y	Y	Y	Y	Y		Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Cancer Pain Medications	1	<1%																						
Cervical Cancer Screening	26	<1%	Y				Y		Y	Y	Y		Y				Y				Y	Y		
Chemotherapy	3	<1%																						
Chlamydia	3	<1%											Y											Y
Cleft Palate	12	<1%						Y				Y					Y		Y			Y		Y
Clinical Trials	19	<1%				Y	Y		Y		Y		Y									Y	Y	Y
Colorectal Cancer Screening	21	<1%		Y					Y	Y	Y		Y				Y	Y						Y
Contraceptives	29	1% to 3%				Y	Y	Y	Y		Y		Y	Y	Y	Y	Y				Y		Y	Y
Congenital Bleeding Disorders	2	<1%																						
Dental Anesthesia	27	<1%					Y	Y	Y			Y	Y		Y		Y	Y	Y	Y	Y	Y		Y
Diabetes Self-Management	22	<1%	Y			Y	Y	Y				Y	Y	Y	Y		Y	Y	Y	Y	Y	Y		Y
Diabetic Supplies	47	<1%	Y		Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y		Y	Y	Y	Y	Y	Y	Y	Y
Drug Abuse Treatment	35	<1%	Y	Y	Y		Y		Y	Y	Y	Y		Y			Y		Y		Y		Y	Y
Emergency Services	46	<1%			Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Hair Prosthesis	7	<1%							Y														Y	Y
Hearing Aid	9	<1%							Y												Y	Y		Y
Home Health Care	19	<1%				Y	Y	Y	Y			Y									Y		Y	Y
Hospice Care	11	<1%			Y			Y						Y							Y			Y
In Vitro Fertilization	15	3% to 5%			Y		Y		Y					Y			Y					Y	Y	Y
Kidney Disease	1	<1%																						
Long Term Care	3	1% to 3%								Y														
Lyme Disease	3	<1%							Y															
Mammogram	50	<1%	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Mastectomy	24	<1%			Y		Y		Y			Y	Y				Y		Y	Y		Y		Y
Mastectomy Stay	24	<1%			Y		Y		Y			Y	Y				Y		Y					Y
Maternity	21	1% to 3%			Y		Y	Y	Y				Y	Y									Y	Y
Maternity Stay	50	<1%	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Mental Health General	40	1% to 3%		Y	Y		Y	Y	Y	Y		Y	Y	Y			Y		Y	Y	Y	Y	Y	Y
Mental Health Parity	42	5% to 10%		Y	Y	Y	Y	Y	Y		Y		Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Minimum Hysterectomy Stay	1	<1%																						
Minimum Testicular Cancer Stays	1	<1%																						Y
Morbid Obesity Treatment	4	1% to 3%											Y											Y
Neurodevelopment Therapy	1	<1%																						
Newborn Hearing Screening	13	<1%										Y						Y					Y	Y
Newborn Sickle-cell Testing	2	<1%																						
Off-Label Drug Use	37	<1%		Y	Y	Y	Y		Y		Y	Y	Y				Y	Y	Y		Y	Y	Y	Y
Orthotics/Prothetics	10	<1%					Y	Y	Y			Y						Y						Y
Ostomy Related Supplies	1	<1%							Y															
Other Infertility Services	8	<1%					Y										Y							
PKU/Formula	33	<1%	Y		Y	Y	Y	Y	Y			Y		Y				Y		Y	Y	Y	Y	Y
Port-wine Stain Elimination	2	<1%																						
Prescription Drugs	3	5% to 10%																						
Prostate Screening	34	<1%	Y		Y		Y	Y	Y	Y	Y		Y				Y	Y	Y		Y	Y	Y	Y
Rehabilitation Services	7	1% to 3%							Y									Y				Y	Y	
Second Surgical Opinion	11	<1%					Y					Y						Y						Y
TMJ Disorders	19	<1%			Y							Y	Y				Y				Y			Y
Weil-Child Care	31	1% to 3%			Y		Y	Y	Y	Y		Y	Y	Y	Y				Y		Y	Y	Y	Y
Wilm's Tumor	1	<1%																						

Legend:  - Mandated

- Not Mandated



	Total	Est. Cost	AK	AL	AR	AZ	CA	CO	CT	DC	DE	FL	GA	HI	IA	ID	IL	IN	KS	KY	LA	MA	MD
<b>PROVIDERS</b>																							
Acupuncturists	11	1% to 3%				Y					Y												
Chiropractors	47	1% to 3%	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Dentists	36	3% to 5%	Y	Y	Y	Y	Y	Y	Y		Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Denturists	2	<1%																					
Dieticians	4	<1%																					
First Nurse Assistant	4	<1%									Y	Y							Y				
Lay Midwives	3	<1%																					
Licensed Health Professional	11	<1%		Y													Y	Y					Y
Marriage Therapists	11	<1%						Y			Y												
Massage Therapists	4	<1%									Y												Y
Naturopaths	4	<1%	Y																				
Nurse Anesthetists	20	<1%	Y	Y	Y		Y											Y	Y			Y	Y
Nurse Midwives	32	<1%	Y		Y	Y	Y	Y	Y		Y	Y									Y	Y	Y
Nurse Practitioners	30	<1%	Y		Y	Y	Y	Y	Y		Y				Y				Y				Y
Nurses	11	<1%					Y							Y	Y								
Occupational Therapists	13	1% to 3%	Y			Y	Y		Y			Y									Y		Y
Opticians	3	1% to 3%																					
Optometrists	44	1% to 3%	Y	Y	Y	Y	Y	Y	Y		Y	Y	Y		Y		Y	Y	Y	Y	Y	Y	Y
Oral Surgeons	7	<1%									Y						Y	Y	Y				
Osteopaths	24	1% to 3%	Y		Y		Y				Y						Y	Y	Y	Y			Y
Pain Management Specialist	2	1% to 3%							Y										Y				
Pastoral Counselors	2	<1%																		Y			
Pharmacists	4	<1%	Y																Y				
Physical Therapists	17	1% to 3%	Y						Y										Y		Y		Y
Physician Assistants	17	<1%	Y	Y							Y	Y			Y				Y	Y			Y
Podiatrists	35	<1%	Y	Y	Y	Y	Y				Y	Y					Y	Y	Y	Y	Y	Y	Y
Professional Counselors	16	<1%		Y		Y					Y						Y					Y	
Psychiatric Nurse	17	<1%				Y	Y	Y			Y											Y	Y
Psychologists	44	1% to 3%	Y	Y	Y	Y	Y	Y	Y		Y	Y	Y				Y	Y	Y	Y	Y	Y	Y
Public or Other Facilities	25	<1%		Y	Y	Y	Y	Y			Y				Y		Y	Y			Y	Y	Y
Social Workers	28	1% to 3%	Y			Y	Y	Y	Y		Y						Y		Y		Y	Y	Y
Speech or Hearing Therapists	18	<1%		Y		Y															Y	Y	
<b>COVERED PERSONS</b>																							
Adopted Children	42	<1%	Y		Y	Y	Y	Y	Y		Y	Y	Y	Y	Y	Y	Y	Y	Y	Y		Y	Y
Continuation/Dependents	44	<1%		Y	Y	Y	Y	Y	Y		Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Continuation/Employees	44	<1%		Y	Y	Y	Y	Y	Y		Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Conversion to Non-Group	42	1% to 3%		Y	Y	Y	Y	Y	Y		Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Dependent Students	10	<1%						Y			Y	Y										Y	
Handicapped Dependents	39	1% to 3%		Y	Y	Y	Y	Y	Y		Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Newborns	51	1% to 3%	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Non-Custodial Children	10	<1%						Y															
<b>Total</b>	<b>1818</b>		<b>24</b>	<b>18</b>	<b>37</b>	<b>28</b>	<b>48</b>	<b>35</b>	<b>50</b>	<b>16</b>	<b>23</b>	<b>50</b>	<b>38</b>	<b>22</b>	<b>22</b>	<b>13</b>	<b>37</b>	<b>35</b>	<b>37</b>	<b>33</b>	<b>39</b>	<b>40</b>	<b>58</b>

Legend:  - Mandated

- Not Mandated

ME	MI	MN	MO	MS	MT	NC	ND	NE	NH	NJ	NM	NV	NY	OH	OK	OR	PA	RI	SC	SD	TN	TX	UT	VA	VT	WA	WI	WV	WY	
Y					Y						Y	Y				Y		Y				Y		Y		Y				
										Y															Y		Y			
Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	
Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	
				Y																						Y				
	Y																						Y	Y					Y	
Y											Y															Y	Y	Y	Y	
Y		Y				Y			Y			Y						Y					Y		Y	Y	Y			
								Y										Y								Y				
				Y																				Y		Y				
Y		Y									Y															Y	Y	Y	Y	
									Y																	Y				
Y		Y		Y	Y		Y				Y	Y					Y	Y			Y	Y			Y			Y	Y	
Y	Y	Y		Y	Y	Y	Y	Y		Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	
Y		Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	
		Y					Y			Y		Y	Y											Y		Y			Y	
		Y									Y														Y					
Y	Y	Y	Y	Y		Y		Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	
	Y								Y			Y														Y		Y	Y	
																										Y				
Y		Y				Y						Y													Y				Y	
Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	
Y	Y	Y		Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	
Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	
Y		Y	Y			Y					Y	Y				Y				Y		Y	Y	Y	Y	Y	Y		Y	
45	25	60	39	27	39	45	33	27	34	39	43	47	43	25	35	31	37	40	28	28	38	51	36	54	23	48	29	35	31	

ADDITIONAL MANDATES			
Although not yet prevalent nationwide, CAHI is also monitoring activity related to the following additional mandates —			
GA	Ovarian Cancer Screening	1	<1%
IA	Anti-psychotic Drugs	1	<1%
MN	Anti-psychotic Drugs Ovarian Cancer Screening	2	<1% <1%
WI	AIDS Vaccines	1	<1%
CA	Domestic Partners	1	<1%
Mandates in all states (from above chart)		1818	
Total		1824	



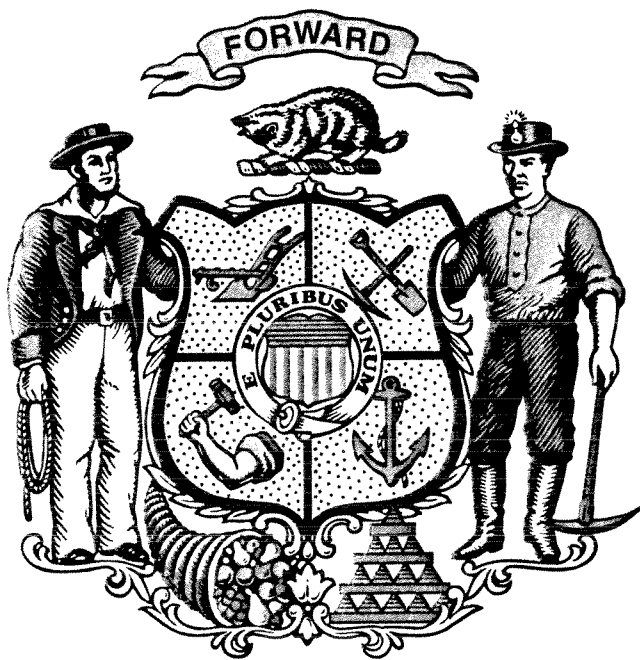
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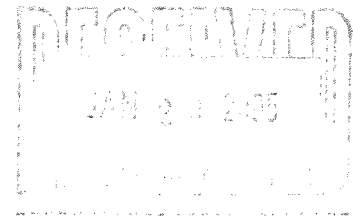




TENTH ANNIVERSARY

2005

GOVERNOR'S  
CONFERENCE  
ON ECONOMIC  
DEVELOPMENT



## Wall Street to Main Street: Finding Local Solutions in a Global Economy



MARK YOUR CALENDAR

WEDNESDAY-FRIDAY,  
FEBRUARY 2-4, 2005

Monona Terrace,

Madison, Wisconsin

Please visit the WEDA

website at [www.weda.org](http://www.weda.org)

for more details and

on-line registration.

Conference produced by the  
Wisconsin Economic Development  
Association in partnership with the  
Wisconsin Department of Commerce  
and Forward Wisconsin, Inc.



Wisconsin Economic Development Association ■ [www.weda.org](http://www.weda.org)

Meet some of our esteemed speakers:

## Governor Jim Doyle

*Wisconsin Governor*



Jim Doyle was sworn in as the 44th Governor of Wisconsin on January 6, 2003. He is the first Democratic Governor of Wisconsin in more than 16 years. Governor Doyle has proven to be a strong leader, working in a bipartisan way to get Wisconsin back on track.

When he took office, Governor Doyle inherited a \$3.2 billion deficit – the largest deficit in Wisconsin's history. Governor Doyle faced the challenge head on and balanced the budget while holding the line on taxes. As a result, state taxes as a percentage of income are now the lowest in 34 years.

Now Governor Doyle is working to move Wisconsin forward – creating jobs, expanding access to health care, and most importantly, investing in Wisconsin's future, our kids.

## Richard J. Raphael

*Executive Managing  
Director, Fitch Ratings*



Richard J.  
Raphael is

an executive managing director in Fitch Ratings' public finance department, with responsibility for rating state credits and certain large local issuers.

Mr. Raphael joined Fitch shortly after its recapitalization in 1989, starting up and managing its local tax-supported group. He has produced numerous research and rating guideline reports on state and local bond issues for tax-supported and municipal lease bonds. Rich joined Fitch in 1989 after 10 years with Standard & Poor's.

## Wall Street to Main Street: Finding Local Solutions in a Global Economy

Organizations of all sizes are reorganizing and reenergizing to succeed in today's economy. Finding creative solutions to issues that impact economic development right here at home is even more valuable when considered in the context of what is happening in board rooms across the country.

Become part of the solution by exploring innovative financial, workforce, education and health care projects, programs and policies at the 2005 Wisconsin Economic Development Association's 10th annual Governor's Conference. The conference will feature local and national experts presenting cutting edge information that will challenge you to change your thinking about economic development strategies.

MONONA TERRACE, FEBRUARY 2-4

Please visit [www.weda.org](http://www.weda.org) for more details and registration information.

## Wednesday, February 2, 2005

**2:00 – 4:00 p.m.**

WEDA Legislative Committee Meeting,  
Monona Terrace

The WEDA Legislative Committee will be taking input from WEDA members and interested economic developers regarding 2005 legislative issues.

**2:30 – 5:00 p.m.**

Exhibitor Installation, Monona Terrace

**5:00 – 6:00 p.m.**

Early Registration, Monona Terrace

**5:30 – 7:00 p.m.**

Pre-Conference/Legislative Reception, Hilton Hotel  
Sign up to attend the legislative reception on your conference registration form.

Thursday, February 3, 2005

<b>7:30 a.m. – Noon</b>	Registration, Monona Terrace
<b>7:30 – 8:30 a.m.</b>	Coffee, networking, view exhibits
<b>8:30 – 9:00 a.m.</b>	Keynote Address, Governor Jim Doyle (invited) Governor Doyle will give a snapshot of the state's economic development successes and challenges.
<b>9:00 – 9:15 a.m.</b>	WEDA Biennial Awards
<b>9:15 – 9:45 a.m.</b>	Richard Raphael, Executive Managing Director, Fitch Ratings Mr. Raphael will give an overview of the global economy by providing a Wall Street perspective on economic development solutions.
<b>9:45 – 10:15 a.m.</b>	David Perdue, CEO, Dollar General Mr. Perdue will use his corporate experience to layout the "Main Street" perspective on economic development solutions.
<b>10:15 – 10:30 a.m.</b>	Q&A
<b>10:30 – 11:00 a.m.</b>	Break/View Exhibits

#### SESSION 1: FINANCIAL SOLUTIONS

In a time of increasing anxiety about the strength of capital markets, we look to the leaders responsible for the innovative design, modification or implementation of programs, products and projects that facilitate the development of wealth and revitalization in America. Session One features many emerging leaders in the field of community and economic development finance who will describe capital market responses to the needs of small business and communities throughout Wisconsin.

<b>11:00 – Noon</b>	Financial Solutions Panel Moderated by Charles Tansey, head of the Wall Street Without Walls advisory board and senior Advisor for the Neighborhood Reinvestment Corporation. <ul style="list-style-type: none"> <li>■ Daryll Lund, Community Bankers of Wisconsin</li> <li>■ Salli Martyniak, The Dane Fund</li> <li>■ Mary Wright, Johnson Bank</li> </ul>
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#### LUNCH SPEAKER

<b>Noon – 1:00 p.m.</b>	Jeff McMullen, CEO, The McMullen Group During a lively lunch presentation, Mr. McMullen will talk about how to program our minds for success during his program, "Living Life at the Pinnacle."
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Rich is chairman of the Municipal Analysts Group of New York and a board member of the National Federation of Municipal Analysts.

#### David Perdue

*Chairman of the Board and Chief Executive Officer, Dollar General Corporation*



In his 30-year career, Mr. Perdue has developed expertise in numerous areas of business including strategic planning, marketing, sales, manufacturing and global operations. Prior to joining Dollar General in 2003, Mr. Perdue served as Chairman and Chief Executive Officer of Pillowtex Corporation, a leading producer and marketer of home textiles, from July 2002 through March 2003. Mr. Perdue also served as Executive Vice President and Senior Vice President, Global Supply Chain of Reebok International Ltd., as well as President and Chief Executive Officer and Executive Vice President of Global Operating Units of the Reebok Brand. Mr. Perdue has also served as Senior Vice President of Haggart, Inc., and Senior Vice President of Operations for Sara Lee Corp.

#### Charles Tansey

*Head of the Wall Street Without Wall Advisory Board and Senior Advisor for the Neighborhood Reinvestment Corporation*



Mr. Tansey is the Senior Policy Advisor for the Neighborhood Reinvestment Corporation (NRC) in Washington, DC. NRC is a national organization that provides training and technical assistance to community-based development organizations. At NRC, Mr. Tansey is responsible for developing system-

wide policies to promote successful and innovative street-level activities of 230 community development corporations across the United States that are part of NRC's network. He is also responsible for informing policy makers, trade groups and other stakeholders in the community development industry of the needs of low-income communities.

He has spent over 25 years in corporate banking, corporate finance and community development at the Chase Manhattan Bank, the Bank of New York, Commonwealth Capital Partners, the US Small Business Administration and the Neighborhood Reinvestment Corporation. He has specialized in designing structures for capitalizing small businesses and the institutions that serve them.

## Edward W. (Ned) Hill

*Professor and Distinguished Scholar of Economic Development at the Maxine Goodman Levin College of Urban Affairs of Cleveland State University and Nonresident Senior Fellow of The Brookings Institution, where he is affiliated with the Center of Urban and Metropolitan Policy.*



Ned Hill has been called both an "evangelist economist" and provocative in his forceful delivery of the facts about the state of manufacturing and the economy in the United States. His work is a blend of macroeconomics, international trade, business strategy and public policy analysis that takes a broad sweep of the current economic environment. He deals in economic facts — inconvenient for those who want simple, ideological solutions to the complex global restructuring facing America's companies and communities. Ned will suggest that it is time for America's manufacturers to take the offensive with popular perceptions regarding the future of American manufacturing and to start playing offense with their business strategies.

### 1:15 – 2:30 p.m.

Ned Hill, Professor and Distinguished Scholar of Economic Development, Cleveland State University; Maxine Goodman Levin College of Urban Affairs Professor Hill, considered by many to be an "economic evangelist," will use facts to paint a realistic picture of American manufacturing and to discuss strategies for moving manufacturing to the next logical level.

### 2:30 – 3:00 p.m.

Break/View Exhibits

## SESSION 2: WORKFORCE DEVELOPMENT SOLUTIONS

During this session you'll hear a variety of perspectives on workforce issues as well as several innovative workforce and education initiatives happening in Wisconsin under the leadership of the Wisconsin Technical College System, the Department of Public Instruction and the Department of Workforce Development. Each involves collaboration of ideas and implementation and will welcome your future support.

### 3:00 – 4:30 p.m.

Workforce/Education/Training Solutions Panel  
Moderated by Jane Svennevig, Co-Chair,  
Current Workforce Committee, Governor's Council  
on Workforce Investment

- Stan Jaskolski, Dean of Engineering,  
Marquette University; Kern Foundation Initiative
- Debbie Mahaffey, Assistant Superintendent,  
Division of Academic Excellence, Wisconsin  
Department of Public Instruction
- Sherry Nevins Holmes, Vice President-Marketing,  
Moraine Park Technical College
- Dean Welch, Director of Staffing International,  
IT Convergence

## WEDA ANNUAL MEETING AND LEGISLATIVE UPDATES

### 4:30 – 5:30 p.m.

All are welcome to attend the WEDA Annual meeting which will include an update on WEDA's legislative initiatives and the election of five new WEDA Board members.

## RECEPTION

### 6:00 – 7:30 p.m.

Madison Ballroom, Monona Terrace

Friday, February 4, 2005

**8:30 – 9:00 a.m.**

Wisconsin Update: Department of Commerce  
and Forward Wisconsin

**SESSION 3: HEALTH CARE SOLUTIONS**

The third session will tackle health care, one of the hottest issues facing government, businesses and individuals. The current health care system in our country presents an enormous challenge to economic development and economic growth. How do we attack the health care barriers to economic development? How do we turn the current situation into an opportunity to achieve gains in cost, efficiency and quality? To address this critical, complex issue, a panel of purchasers and providers who are in "solution mode" will lead a forward-looking discussion to remind us not only that we have a problem, but to offer innovative ideas for both large and small purchasers of health care.

**9:00 – 9:15 a.m.**

Putting Health Care in Context  
Jim Wood, President, Wood Communications Group.  
Mr. Wood will lay the groundwork for the health care discussion by identifying some "common ground" issues as described in a primer prepared by Roger Formisano, Ph.D. Director, Fluno Center for Education

**9:15 - 10:30 a.m.**

Health Care Panel Presentations  
Moderated by Jim Wood, President,  
Wood Communications Group

- Rhonda Grabow, Vice President,  
Strategic Planning, Innoviant
- Dan Jones, Small Group Sales,  
Vice President, Wisconsin Market, Humana
- Elaine Mischler, M.D., Executive Vice President  
and Chief Medical Officer, Avidyn Health
- Todd Page, Regional Manager, J.L. Barnes
- John Torinus, CEO, Serigraph
- John Toussaint, CEO, ThedaCare;  
Wisconsin Collaborative

**10:30 – 10:45 a.m.**

Breck/View Exhibits

**10:45 – 11:45 a.m.**

Health Care Solutions Panel Discussion and Q&A

**WRAP UP**

**11:45 a.m – Noon**

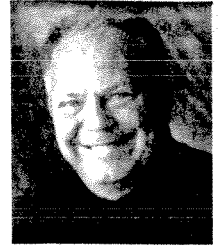
Wrap Up

**Noon – 1:00 p.m.**

Exhibit Dismantling

Jeffrey B.  
McMullen,  
CSP

CEO, The McMullen  
Group, Inc.



As an author and veteran speaker, trainer, seminar leader and entertainer, Jeffrey's dynamic style and unusually strong impact reach audiences ranging from top corporate executives to homemakers ... health care professionals to ego-driven sales representatives ... supervisors to line employees. For more than 15 years, he's brought his wealth of business, teaching and entertainment experience to audiences from all walks of life. Jeffrey is the author of *Just In Time ... Just Isn't Enough!* His work also has appeared in *Chicken Soup for the Soul at Work*.

During our conference luncheon, Jeffrey will present "Living Life at the Pinnacle," an inspiring look at how to motivate people to tap the creativity and potential within them.

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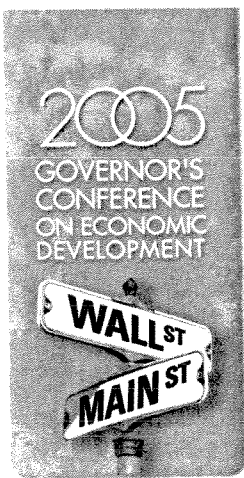
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# Registration Form

Please fill out form and mail with check payable to WEDA, or register online at [www.weda.org](http://www.weda.org)

## REGISTER EARLY AND SAVE!

*Please check fee paid*

- \$175 by January 19
- \$225 after January 19
- \$250 at the door

**To cancel your registration,** send a written request by Jan. 23 to WEDA, Attn: WEDA Governor's Conference 2005, 4600 American Parkway, Suite 208, Madison, WI 53718 or fax it to 608-241-7790. A \$50 handling fee is not refundable. No refunds will be given after Jan. 23, 2005.

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CITY \_\_\_\_\_ STATE \_\_\_\_\_ ZIP \_\_\_\_\_

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WEDA Member:  Yes  No  Please send membership information

## Payment Information

- VISA  Mastercard
- Check enclosed (Please make your check payable to the Wisconsin Economic Development Association (WEDA).)

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**4600 American Parkway,**  
**Suite 208**  
**Madison, WI 53718**  
 or Fax to: (608) 241-7790  
 (for credit card registrants only)



## RECEPTIONS/MEALS

Please complete the following information to help us accommodate all participants. Yes, I will attend the:

- Legislative Committee Meeting on February 2
- Pre-conference Legislative Reception on February 2
- Luncheon on February 3
- Reception on February 3
- Breakfast on February 4

## LODGING

*Blocks of room have been set aside at the following hotels:*

- **Hilton Monona Terrace**, 9 E. Wilson St., Madison.  
There is a special rate of \$119 single / \$119 double, plus tax, for the event. To make a reservation, call 800-445-8667 and please identify yourself as a conference participant.  
For directions and maps, please visit the Hilton Hotel's website at [www.hilton.com](http://www.hilton.com) or call the hotel at 800-445-8667.
- **Concourse Hotel**, 1 W. Dayton St., Madison. There is a special rate of \$92 single / \$102 double, plus tax, for the event. Governor's Club rooms are available for \$125 / \$135, plus tax. To make a reservation, call 608-257-6000 or 800-356-8293 and identify yourself as a conference participant.  
For directions and maps, please visit the Concourse Hotel's website at [www.concoursehotel.com](http://www.concoursehotel.com) or call the hotel at 800-356-8293.
- **Best Western, Inn on the Park**, 22 S. Carroll St., Madison.  
There is a special rate of \$79 single / \$79 double, plus tax, for the event. To make a reservation, call 800-279-8811 and please identify yourself as a conference participant.  
For directions and maps, please visit the Best Western website at [www.bestwestern.com](http://www.bestwestern.com) or call the hotel at 800-780-7234.

# Registration INSTRUCTIONS

Complete and return the enclosed registration form.

Take advantage of the early-bird discount for registrations with payment received by January 19, 2005. Registrations received after January 19 are not eligible for the discount and are charged the full rate of \$225 or \$250 at the door. We encourage registration with payment submitted by February 1 to ensure that all participants can be accommodated.

## WHO SHOULD ATTEND?

Hundreds of business professionals are expected to attend this conference including:

- Economic developers
- Elected officials
- Representatives from technical colleges and universities
- Bankers
- Business owners and managers
- Real estate developers and brokers

The Wisconsin Economic Development Association's 2005 Governor's Conference has been certified by the International Economic Development Council (IEDC). Conference Participants who have earned the CEcD designation can receive recertification points by attending this conference.



2005  
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ON ECONOMIC  
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