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☞ Details: Audit requests, 2005

(FORM UPDATED: 08/11/2010)

WISCONSIN STATE LEGISLATURE ... PUBLIC HEARING - COMMITTEE RECORDS

2005-06

(session year)

Joint

(Assembly, Senate or Joint)

Committee on Audit...

COMMITTEE NOTICES ...

- Committee Reports ... **CR**
- Executive Sessions ... **ES**
- Public Hearings ... **PH**

INFORMATION COLLECTED BY COMMITTEE FOR AND AGAINST PROPOSAL

- Appointments ... **Appt** (w/Record of Comm. Proceedings)
- Clearinghouse Rules ... **CRule** (w/Record of Comm. Proceedings)
- Hearing Records ... bills and resolutions (w/Record of Comm. Proceedings)
(**ab** = Assembly Bill) (**ar** = Assembly Resolution) (**ajr** = Assembly Joint Resolution)
(**sb** = Senate Bill) (**sr** = Senate Resolution) (**sjr** = Senate Joint Resolution)
- Miscellaneous ... **Misc**



KARL VAN ROY

STATE REPRESENTATIVE

HAND DELIVERED

February 2, 2005

The Honorable Sue Jeskewitz
Wisconsin Assembly
PO Box 8952
Madison, WI 53708-8592

Dear Sue,

At the request of a constituent, I am writing to urge you to use your authority as co-chair of the Joint Legislative Audit Committee to call for an audit on the Department of Transportation's contracting policies and practices. As you are probably well aware, the Department has fallen under heavy public and media scrutiny since reports were released detailing inefficient and wasteful spending of taxpayer dollars by DOT.

I understand that the Legislative Audit Bureau is currently undertaking a number of other audits, which are consuming a lot of their time and resources. I commend those efforts including the audits of the W-2 Program and the State Fleet.

Still, I would hope that you take my request under serious deliberation. This issue raises questions about the integrity of government officials that are central to the success of our system of government.

Thank you for your time and consideration of my request.

Sincerely,

A handwritten signature in cursive script that reads "Karl Van Roy".

Karl Van Roy
State Representative
90th Assembly District





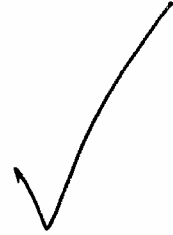
WISCONSIN STATE SENATE

DAVE HANSEN

SENATOR – 30TH DISTRICT

State Capitol P.O. Box 7882 Madison, Wisconsin 53707-7882 Phone: (608) 266-5670

February 4, 2005



Senator Carol Roessler
Representative Suzanne Jeskewitz
Co-Chairs, Audit Committee

Dear Senator Roessler and Representative Jeskewitz,

I am writing to request an audit of the Wisconsin Department of Health and Family Services dental HMO program. I have received a number of letters from constituent dentists who have expressed concern about the program. I have enclosed a copy of one of the letters for your convenience.

Thank you for your consideration.

Sincerely,

Dave Hansen
State Senator

DH: ecg

enclosure



ORTHODONTIC
SPECIALISTS OF
GREEN BAY

January 11, 2005

Sen. Dave Hansen
PO Box 7882
Madison, WI 53707

Dear Sen. Dave Hansen:

First, I'd like to explain my connection to you: I am a constituent dentist who resides in Green Bay, Wisconsin. I've been a practicing dentist in Green Bay for five years. It is my understanding that you are among a handful of legislators who currently serve in leadership in the state senate and, as such, you can have an influence regarding what audits the state will conduct.

The purpose of this letter is to request the Legislative Audit Bureau (LAB) to conduct an audit of the Wisconsin Department of Health and Family Services (DHFS) dental HMO program. Currently, the HMO program only impacts four counties in the state (Racine, Kenosha, Milwaukee and Waukesha counties). Under the HMO program, the state contracts with medical HMOs in exchange for a "promise" by the HMOs to take care of the dental care needs for their enrollees; the state appears to be paying the medical HMOs somewhere between \$4.50 and \$5.50 per month per enrollee in exchange for this "promise". Given the enrollment numbers of Medicaid recipients in these four counties, the dental-specific costs associated with the state's contracts with medical HMOs end up costing the state approximately \$10 million each year.

The Audit Bureau should create a complete review of the program; it is my understanding that after the medical HMOs take their "administrative fee" (which may be as much as 35% of the total contract), they pass the responsibility of providing the dental care on to a dental managed care organization that, in turn, takes another cut (because they actually do administer the program). The dental managed care organization then contracts with individual dentists. The payments to individual dentists are drastically reduced because the other two entities have taken out administrative fees without actually providing care in return. By the time the state's payments reach the individual dentist (who is actually absorbing the cost of the dental care treatment), the payments are even lower than what they are in the dental fee-for-service Medicaid program. As such, more and more dentists are dropping out and fewer patients are being seen and the state is still paying the medical HMO as if it is living up to its promise of providing dental care to their enrollees.


To: Senator Dave Hansen
From: Dr. Edward Y. Lin
Page 2

The HMOs continue to argue that managed care delivery system is working well for dentistry and yet my colleagues in those areas of the state are telling very different stories. While it is clear that the fee-for-service program for dental Medicaid is not perfect, at least under the fee-for-service model, the state doesn't pay a dentist until AFTER the dentist has actually provided the care. There are detailed utilization records available under the state's fee-for-service program. In contrast, under the HMO model, the state is paying the medical HMOs up-front for dental care without expecting any detailed documentation or records to verify what dental services (if any) the HMOs are actually providing in exchange for the payments they are receiving from the state. It has been extremely difficult for organized dentistry (or any other entity) to get the data from either DHFS, or the individual HMOs, regarding the state's financial arrangements with the HMOs. More importantly, requests for the actual types and frequencies of individual dental procedures that are performed under the HMO system have gone unanswered.

It is my hope that you, as a member of legislative leadership, will see the need to conduct an audit of the state's dental HMO program. At the very least, the state should demand more thorough record keeping of the types and frequencies of dental services that Medicaid recipients are receiving in exchange for the \$10 million the state pays out to the medical HMOs. As a practicing dentist and as a concerned taxpayer, I think the state should only contract with entities that can provide clinical data as to the services they are actually providing in exchange for receiving state-funded contracts.

Please look into this and let me know whether or not you plan to pursue this request. Thank you.

Sincerely,



Edward Y. Lin, DDS
3546 Bay Highlands Circle
Green Bay, WI 54311





WISCONSIN LEGISLATURE

P.O. BOX 8952 • MADISON, WI 53708

February 8, 2005

Senator Carol Roessler, Co-Chair
Joint Committee on Audit
8 South State Capitol
Hand-Delivered

Representative Suzanne Jeskewitz, Co-Chair
Joint Committee on Audit
314 North State Capitol
Hand-Delivered

Dear Senator Roessler and Representative Jeskewitz:

Recently local dentists contacted our offices with some problems they have encountered with the Department of Health and Family Services (DHFS) dental HMO program. Their letters have prompted us to contact you regarding our interest in an audit being conducted on the subject.

We believe that sufficient questions have arisen to warrant further review of the program. In communications with our dentists as well as the Wisconsin Dental Association, we have compiled a list of questions that we would like to see answered through an audit.

- (1) The number of people enrolled for dental care in the entire HMO dental program.
- (2) The number of people enrolled for dental care in each HMO by county (list name of HMO & number of enrollees in each county for each particular HMO).
- (3) The number of "unique" (unduplicated) dental encounters by enrollees in each HMO in each county in a given year (most recent).
- (4) The number of dentists contracted to provide services for each HMO in each county (list name of HMO and number of dentists per county serving that HMO's enrollees).
- (5) How many specialty dentists are signed up in each HMO program? What specialty do those dentists represent? (pediatric dentists, endodontists, orthodontists, periodontists, prosthodontists, oral and maxillofacial surgeons)
- (6) On an annual basis, how much money does that state pay each individual HMO for the guarantee that their enrollees will receive care? How much of that money does the HMO keep for administrative costs?
- (7) How much money does each individual HMO pay each dental managed care organization for administering the dental provider network? How much does each dental managed care organization keep for its administrative costs?
- (8) How much money does each dental managed care organization, in turn, pay dentists for the dental procedures that are provided to the enrollees?
- (9) The audit should provide independent verification that the HMOs are each abiding by their contract with the state to provide a sufficient network of dentists to meet the demand for dental

Ugo
OK
Stallone
Miss!!
When will we
deal w/
this?

care by the HMO's enrollees; for example, is the HMO meeting the requirement for 24 hour emergency care? Is the HMO meeting its contractual requirements for routine dental care?

- (10) The independent verification should make sure that the "list" of dentists provided to patients of the HMO is a list of dentists who are actively participating and taking new patients. Some dentists are listed but are not taking new patients or are only seeing emergencies or are not even seeing emergencies. Some restrict their practices to just children or just adults. The audit should make define how many dentists are actively seeing new patients and how quickly a patient can obtain a routine preventive service, a service for restorative care and an emergency service.
 - (11) List each ADA code that is covered under the dental HMO program and, beside it, list the number of procedures provided for that code by each HMO (sample: _____ HMO provided _____ number of _____ (list procedure name plus ADA Code number) during the previous year --- this should be done for all procedures covered under the HMO dental MA program.
 - (12) Provide the total amount billed for each ADA code. This is the total amount billed by dentists to each HMO in each county; then provide the total amount the HMO paid the dentists for the services provided (example: _____ number of dental providers in _____ county provided _____ number of list ADA name and code number procedure here for _____ number of enrollees and billed the HMO a total amount of _____ for the provision of those list ADA name and code number procedure here ; _____ HMO paid the contracted dentists in their network _____ amount for those services. This should be done for each individual procedure code covered under the MA program).
- NOTE: This type of detailed information can be obtained under the state's fee for service system and we'd like the same type of information for the HMO system. We are essentially asking for an equivalent to the fee for service encounter data.
- (13) If the same number and frequency of procedures listed in item #11 were provided under the fee-for-service dental Medicaid program, what would the state have spent?

In addition we have enclosed copies of the correspondence we have received on the subject. Thank you for your consideration of this audit, please do not hesitate to contact any of us with any questions you may have.

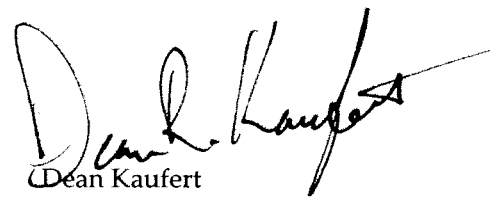
Sincerely,



Samantha Kerkman
State Representative
66th Assembly District



Dan Vrakas
State Representative
33rd Assembly District



Dean Kaufert
State Representative
55th Assembly District

Enclosures

RONALD C. POSSELL, D.D.S.

1159 WITTMANN DR
MENASHA WI 54952
920-730-9780

January 8, 2005

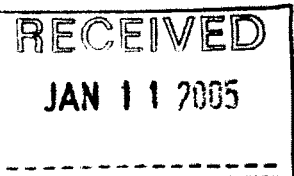
Rep. Dean Kaufert
Joint Committee on Audit
PO Box 8952
Madison, WI 53708

Dear Rep. Dean Kaufert:

First, I'd like to explain my connection to you: I am a constituent dentist who resides in City of Menasha. I've been a practicing dentist in City of Menasha for 32 years. It is my understanding that you are among a handful of legislators who currently serve on the Wisconsin Legislative Audit Committee and, as such, you are part of the group of legislators that reviews audit requests and makes decisions on what audits the state will conduct.

The purpose of this letter is to request the Legislative Audit Bureau (LAB) to conduct an audit of the Wisconsin Department of Health and Family Services (DHFS) dental HMO program. Currently, the HMO program only impacts four counties in the state (Racine, Kenosha, Milwaukee and Waukesha counties). Under the HMO program, the state contracts with medical HMOs in exchange for a "promise" by the HMOs to take care of the dental care needs for their enrollees; the state appears to be paying the medical HMOs somewhere between \$4.50 and \$5.50 per month per enrollee in exchange for this "promise". Given the enrollment numbers of Medicaid recipients in these four counties, the dental-specific costs associated with the state's contracts with medical HMOs end up costing the state approximately \$10 million each year.

The Audit Bureau should create a complete review of the program; it is my understanding that after the medical HMOs take their "administrative fee" (which may be as much as 35% of the total contract), they pass the responsibility of providing the dental care on to a dental managed care organization that, in turn, takes another cut (because they actually do administer the program). The dental managed care organization then contracts with individual dentists. The payments to individual dentists are drastically reduced because the other two entities have taken out administrative fees without actually providing care in return. By the time the state's payments reach the individual dentist (who is actually absorbing the cost of the dental care treatment), the payments are even lower than what they are in the dental fee-for-service Medicaid program. As such, more and more dentists are dropping out and fewer patients are



being seen and the state is still paying the medical HMO as if it is living up to its promise of providing dental care to their enrollees.

The HMOs continue to argue that managed care delivery system is working well for dentistry and yet my colleagues in those areas of the state are telling very different stories. While it is clear that the fee-for-service program for dental Medicaid is not perfect, at least under the fee-for-service model, the state doesn't pay a dentist until AFTER the dentist has actually provided the care. There are detailed utilization records available under the state's fee-for-service program. In contrast, under the HMO model, the state is paying the medical HMOs up-front for dental care without expecting any detailed documentation or records to verify what dental services (if any) the HMOs are actually providing in exchange for the payments they are receiving from the state. It has been extremely difficult for organized dentistry (or any other entity) to get the data from either DHFS, or the individual HMOs, regarding the state's financial arrangements with the HMOs. More importantly, requests for the actual types and frequencies of individual dental procedures that are performed under the HMO system have gone unanswered.

It is my hope that you, as a member of the state legislature's Joint Audit Committee, will see the need to conduct an audit of the state's dental HMO program. At the very least, the state should demand more thorough recordkeeping of the types and frequencies of dental services that Medicaid recipients are receiving in exchange for the \$10 million the state pays out to the medical HMOs. As a practicing dentist and as a concerned taxpayer, I think the state should only contract with entities that can provide clinical data as to the services they are actually providing in exchange for receiving state-funded contracts.

Please look into this and let me know what you and your fellow members of the Audit Committee plan to do with this request. Thank you.

Sincerely,



Ronald C Possell, DDS
1205 Greendale St

R. R. CHABALOWSKI, D.D.S.

58 RACINE

BOX 515

MENASHA, WISCONSIN 54952

TELEPHONE (414) 725-8213

10 January 2005

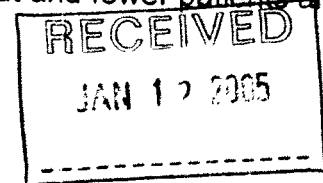
Rep. Dean Kaufert
Joint Committee on Audit
PO Box 8952
Madison, WI 53708

Dear Rep. Dean Kaufert:

First, I'd like to explain my connection to you: I am a constituent dentist who resides in Menasha. I've been a practicing dentist in Menasha for 30 years. It is my understanding that you are among a handful of legislators who currently serve on the Wisconsin Legislative Audit Committee and, as such, you are part of the group of legislators that reviews audit requests and makes decisions on what audits the state will conduct.

The purpose of this letter is to request the Legislative Audit Bureau (LAB) to conduct an audit of the Wisconsin Department of Health and Family Services (DHFS) dental HMO program. Currently, the HMO program only impacts four counties in the state (Racine, Kenosha, Milwaukee and Waukesha counties). Under the HMO program, the state contracts with medical HMOs in exchange for a "promise" by the HMOs to take care of the dental care needs for their enrollees; the state appears to be paying the medical HMOs somewhere between \$4.50 and \$5.50 per month per enrollee in exchange for this "promise". Given the enrollment numbers of Medicaid recipients in these four counties, the dental-specific costs associated with the state's contracts with medical HMOs end up costing the state approximately \$10 million each year.

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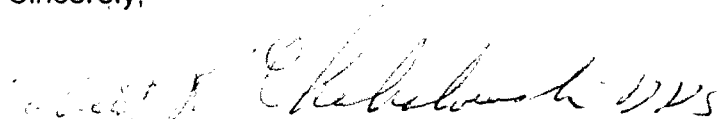
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Please look into this and let me know what you and your fellow members of the Audit Committee plan to do with this request. Thank you.

Sincerely,



Robert R. Chabalowski, DDS
858 River Lea Ct.
Menasha Wi 54952

Steven J. Stoll, D.D.S.

RELAX WE CARE™

January 10, 2005

Rep. Dean Kaufert
Joint Committee on Audit
P. O. Box 8952
Madison, WI 53708

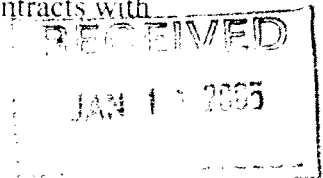
Dear Rep. Kaufert:

As you know, I am a constituent dentist who resides in Menasha. I've been a practicing dentist in Neenah for nearly 25 years. It is my understanding that you currently serve on the Wisconsin Legislative Audit Committee and, as such, you are part of the group of legislators that reviews audit requests and makes decisions on what audits the state will conduct.

I have served on the Wisconsin Dental Association's Legislative Committee for several years and more recently on the Board of Trustees. I know the Association and the Legislature as a whole have struggled to find common ground on the Medicaid issue for years. We'd like to see (and believe there must be) more dollars for dental Medicaid and you'd like to find ways to reduce spending somewhere. One thing I think we can agree on is that, at the very least, every dollar spent for dental should be spent wisely and efficiently.

The purpose of this letter is to request the Legislative Audit Bureau (LAB) to conduct an audit of the Wisconsin Department of Health and Family Services (DHFS) dental HMO program. Currently, the HMO program only impacts four counties in the state (Racine, Kenosha, Milwaukee and Waukesha counties). Under the HMO program, the state contracts with medical HMOs in exchange for a "promise" by the HMOs to take care of the dental care needs for their enrollees; the state appears to be paying the medical HMOs somewhere between \$4.50 and \$5.50 per month per enrollee in exchange for this "promise". Given the enrollment numbers of Medicaid recipients in these four counties, the dental-specific costs associated with the state's contracts with medical HMOs end up costing the state approximately \$10 million each year.

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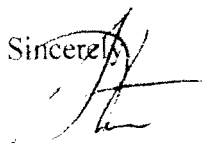


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Please look into this and let me know what you and your fellow members of the Audit Committee plan to do with this request. Thank you.

Sincerely,


Steven J. Stoll, DDS
1525 Rue Reynard
Menasha, WI 54952



TIMOTHY H. SMITH, D.D.S., S.C.

Professional Plaza
190 Gardner Ave., Suite 1
Burlington, WI 53105
Telephone: (262) 763-7121

January 10, 2005

Rep. Samantha Kerkman
Joint Committee on Audit
PO Box 8952
Madison, WI 53708

*Racine
Dental
Group*

Dear Rep. Samantha Kerkman:

First, I'd like to explain my connection to you: I am a constituent dentist who resides in Burlington. I've been a practicing dentist in Burlington **for 21 years**. It is my understanding that you are among a handful of legislators who currently serve on the Wisconsin Legislative Audit Committee and, as such, you are part of the group of legislators that reviews audit requests and makes decisions on what audits the state will conduct.

The purpose of this letter is to request the Legislative Audit Bureau (LAB) to conduct an audit of the Wisconsin Department of Health and Family Services (DHFS) dental HMO program. Currently, the HMO program only impacts **four counties** in the state (Racine, Kenosha, Milwaukee and Waukesha counties). Under the HMO program, the state contracts with medical HMOs in exchange for a "promise" by the HMOs to take care of the dental care needs for their enrollees; the state appears to be paying the medical HMOs somewhere between **\$4.50 and \$5.50 per month per enrollee** in exchange for the "promise". Given the enrollment numbers of Medicaid recipients in these four counties, the dental-specific costs associated with the state's contracts with medical HMOs end up costing the state **approximately \$10 million each year**.

The Audit Bureau should create a complete review of the program; it is my understanding that after the medical HMOs take their "administrative fee" (which may be as much as 35% of the total contract), they pass the responsibility of providing the dental care on to a dental managed care organization that, in turn, takes another cut (because they actually do administer the program). The dental managed care organization then contracts with individual dentists. The payments to individual dentists are drastically reduced because the other two entities have taken out administrative fees without actually providing care in return. By the time the state's payments reach the individual dentist (who is actually absorbing the cost of the dental care treatment), the payments are even lower than what they are in the dental fee-for-service Medicaid program. As such, more and more dentists are dropping out and fewer patients are being seen and the state is still paying the medical HMO as if it is living up to its promise of providing dental care to their enrollees.



TIMOTHY H. SMITH, D.D.S., S.C.

Professional Plaza
190 Gardner Ave., Suite 1
Burlington, WI 53105
Telephone: (262) 763-7121

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Please look into this and let me know what you and your fellow members of the Audit Committee plan to do with this request. Thank you.

Sincerely,

Dr. Timothy H. Smith, DDS
190 Gardner Ave, Suite 1
Burlington, WI 53105

James L Cook D.D.S. S. C.
10202 W. Hayes
West Allis, WI 53227
414-327-4100

01/10/05

Rep. Daniel Vrakas
PO Box 8953
Madison, WI 53708

Dear Rep. Daniel Vrakas:

First, I'd like to explain my connection to you: I am a constituent dentist who resides in Waukesha WI. I've been a practicing dentist in West Allis, WI for 30 years. It is my understanding that you are among a handful of legislators who currently serve in leadership in the state assembly and, as such, you can have an influence regarding what audits the state will conduct.

The purpose of this letter is to request the Legislative Audit Bureau (LAB) to conduct an audit of the Wisconsin Department of Health and Family Services (DHFS) dental HMO program. Currently, the HMO program only impacts four counties in the state (Racine, Kenosha, Milwaukee and Waukesha counties). Under the HMO program, the state contracts with medical HMOs in exchange for a "promise" by the HMOs to take care of the dental care needs for their enrollees; the state appears to be paying the medical HMOs somewhere between \$4.50 and \$5.50 per month per enrollee in exchange for this "promise". Given the enrollment numbers of Medicaid recipients in these four counties, the dental-specific costs associated with the state's contracts with medical HMOs end up costing the state approximately \$10 million each year.

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The HMOs continue to argue that managed care delivery system is working well for dentistry and yet my colleagues in those areas of the state are telling very different stories. While it is clear that the fee-for-service program for dental Medicaid is not perfect, at least under the fee-for-service model, the state doesn't pay a dentist until AFTER the dentist has actually provided the care. There are detailed utilization records available under the state's fee-for-service program. In contrast, under the HMO model, the state is paying the medical HMOs up-front for dental care without expecting any detailed documentation or records to verify what dental services (if any) the HMOs are actually providing in exchange for the payments they are receiving from the state. It has been extremely difficult for organized dentistry (or any other entity) to get the data from either DHFS, or the individual HMOs, regarding the state's financial arrangements with the HMOs. More importantly, requests for the actual types and frequencies of individual dental procedures that are performed under the HMO system have gone unanswered.

It is my hope that you, as a member of legislative leadership, will see the need to conduct an audit of the state's dental HMO program. At the very least, the state should demand more thorough recordkeeping of the types and frequencies of dental services that Medicaid recipients are receiving in exchange for the \$10 million the state pays out to the medical HMOs. As a practicing dentist and as a concerned taxpayer, I think the state should only contract with entities that can provide clinical data as to the services they are actually providing in exchange for receiving state-funded contracts.

Please look into this and let me know whether or not you plan to pursue this request. Thank you.

Sincerely,

James L Cook, DDS
108C East Sutton Place
Waukesha, WI 53188



DENTAL ASSOCIATES, LTD.



January 12, 2005

Representative Samantha Kerkman
109 West, State Capitol
Madison, WI 53708

Dear Representative Kerkman:

Dental Associates, Ltd. has been providing comprehensive dental care to patients throughout southeastern Wisconsin since 1974. During this time, we have extended our dental care services to benefit tens of thousands of Medical Assistance / BadgerCare patients.

Over the last decade, reimbursement rates for service provided to the Medical Assistance/BadgerCare patient population has continued to plummet, making it financially impossible for Dental Associates, Ltd. to continue being one of the only providers willing to serve this population. I regret to inform you that following careful consideration and discussions with key decision makers, we have determined as of January 12, 2005 new Medical Assistance / BadgerCare patients will not be accepted at Dental Associates clinics including our Kenosha, Milwaukee, Fond du Lac, Appleton and Green Bay locations.

We understand the importance of quality dental care and take seriously our responsibility to our patients. We will continue to provide dental care services to our existing Medical Assistance/BadgerCare patients, but will not accept new Medical Assistance/BadgerCare patients.

For additional background information, I have attached a letter sent to Governor Doyle's office on November 8, 2004 for your review. We have an obligation to share this information with our employees, partners and patients and will be doing so over the next few weeks.

In the interim, should you have any questions or desire additional information, please feel free to contact me directly at (414) 771-5000.

Sincerely,

John G. Gonis, D.D.S.
Chairman of the Board

11711 West Burleigh Street
Wauwatosa, Wisconsin 53222
771-2345 • FAX 771-7640

1135 S. Cesar E. Chavez Dr.
Milwaukee, Wisconsin 53204
645-4540 • FAX 645-9380

4660 West College Avenue
Appleton, Wisconsin 54913
730-0345 • FAX 954-0155

430 Main Street
Green Bay, Wisconsin 54301
431-0345 • FAX 431-0567

7117 Green Bay Road
Kenosha, Wisconsin 53142
942-7171 • FAX 942-7117

545 E. Johnson St.
Fond du Lac, Wisconsin 54935
924-9900 • FAX 921-0800

Robert L. Wyler, D.D.S.

January 12, 2005

Rep. Daniel Vrakas
P.O. Box 8953
Madison, WI 53708

Dear Rep. Vrakas:

First, I'd like to explain my connection to you: I am a constituent dentist who resides in Oconomowoc. I've been a practicing dentist in Waukesha for 15 years. It is my understanding that you are among a handful of legislators who currently serve in leadership in the state assembly and, as such, you can have an influence regarding what audits the state will conduct.

The purpose of this letter is to request the Legislative Audit Bureau (LAB) to conduct an audit of the Wisconsin Department of Health and Family Services (DHFS) dental HMO program. Currently, the HMO program only impacts four counties in the state (Racine, Kenosha, Milwaukee and Waukesha counties). Under the HMO program, the state contracts with medical HMOs in exchange for a "promise" by the HMOs to take care of the dental care needs for their enrollees; the state appears to be paying the medical HMO's somewhere between \$4.50 and \$5.50 per month per enrollee in exchange for this "promise". Given the enrollment numbers of Medicaid recipients in these four counties, the dental-specific costs associated with the state's contracts with medical HMOs end up costing the state approximately \$10 million each year.

The Audit Bureau should create a complete review of the program; it is my understanding that after the medical HMOs take their "administrative fee" (which may be as much as 35% of the total contract), they pass the responsibility of providing the dental care on to a dental managed care organization that, in turn, takes another cut (because they actually do administer the program). The dental managed care organization then contracts with individual dentists. The payments to individual dentists are drastically reduced because the other two entities have taken out administrative fees without actually providing care in return. By the time the state's payments reach the individual dentist (who is actually absorbing the cost of the dental care treatment), the payments are even lower than what they are in the dental fee-for-service Medicaid program. As such, more and more dentists are dropping out and fewer patients are being seen and the state is still paying the medical HMO as if it is living up to its promise of providing dental care to their enrollees.

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21005 Watertown Road ♦ Waukesha, WI 53186 ♦ 262-784-5757

Robert L. Wyler, D.D.S.

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Please look into this and let me know whether or not you plan to pursue this request.

Sincerely,



Robert L. Wyler, D.D.S.
W340 N5685 Breezy Point Road
Oconomowoc, WI 53066

Mukwonago
DENTISTRY
FAMILY

Michael F. Connor, D.D.S. • Thomas L. McKeever, D.D.S.
Pamela A. McWilliams, D.D.S. • Byron L. Hawks, D.D.S.

1/19/2004

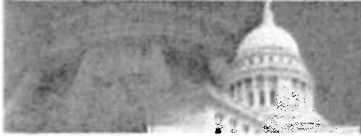
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PO Box 8953
Madison, WI 53708

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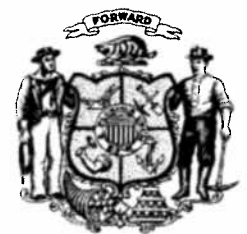
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The purpose of this letter is to request the Legislative Audit Bureau (LAB) to conduct an audit of the Wisconsin Department of Health and Family Services (DHFS) dental HMO program. Currently, the HMO program only impacts four counties in the state (Racine, Kenosha, Milwaukee and Waukesha counties). Under the HMO program, the state contracts with medical HMOs in exchange for a "promise" by the HMOs to take care of the dental care needs for their enrollees; the state appears to be paying the medical HMOs somewhere between \$4.50 and \$5.50 per month per enrollee in exchange for this "promise". Given the enrollment numbers of Medicaid recipients in these four counties, the dental-specific costs associated with the state's contracts with medical HMOs end up costing the state approximately \$10 million each year.

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WISCONSIN STATE LEGISLATURE



FEB 09 2005



Mary Hubler

State Representative

February 8, 2005

Senator Carol Roessler
Representative Suzanne Jeskewitz
Co-Chairs
Joint Legislative Audit Committee
Wisconsin State Legislature

Dear Co-Chairs Roessler and Jeskewitz:

I request an audit by the Legislative Audit Bureau of the Wisconsin Department of Health and Family Services dental HMO program.

The reasons for my request are outlined in an accompanying letter from a constituent. He asserts that the state pays the HMOs a monthly fee per enrollee in exchange for a promise of medical treatment. The state spends some \$10 million per year on the program.

I share the concern of my constituent that administrative fees are so substantial that payments to individual dentists are drastically reduced. The dentists actually absorb the cost of providing care. The payments are so low that few dentists participate and few patients are treated.

My constituent argues that data on the program has been difficult to obtain.

The purpose of the program is to provide dental care, not to provide fees to HMOs. If the program is not delivering on the state's commitment, an audit will illustrate that fact.

Sincerely,

MARY HUBLER
State Representative
75th Assembly District

MH/se

Jon M. McKinney, D.D.S.

701 River Street
Spooner, WI 54801
(715) 635-8282



January 17, 2005

Rep. Gary Sherman
PO Box 8953
Madison, WI 53708

Dear Rep. Gary Sherman:

Fist, I'd like to explain my connection to you: I am a constituent dentist who resides in Spooner, WI. I've been a practicing dentist in Spooner for 35 years. It is my understanding that you are among a handful of legislators who currently serve in leadership in the state assembly and, as such, you can have an influence regarding what audits the state will conduct.

The purpose of this letter is to request the Legislative Audit Bureau (LAB) to conduct an audit of the Wisconsin Department of Health and Family Services (DHFS) dental HMO program. Currently, the HMO program only impacts four counties in the state (Racine, Kenosha, Milwaukee, and Waukesha counties). Under the HMO program, the state contracts with medical HMOs in exchange for a "promise" by the HMOs to take care of the dental care needs for their enrollees; the state appears to be paying the medical HMOs somewhere between \$4.50 and \$5.50 per month per enrollee in exchange for this "promise". Given the enrollment numbers of Medicaid recipients in these four counties, the dental-specific costs associated with the state's contracts with medical HMOs end up costing the state approximately \$10 million each year.

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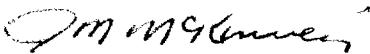
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Please look into this and let me know whether or not you plan to pursue this request.
Thank you.

Sincerely,



Jon M. McKinney, D.D.S.
701 N. River Street
Spooner, WI 54801





Mary Hubler

State Representative

February 8, 2005

Senator Carol Roessler
Representative Suzanne Jeskewitz
Co-Chairs
Joint Legislative Audit Committee
Wisconsin State Legislature

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MH/se

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701 River Street
Spooner, WI 54801
(715) 635-8282



January 17, 2005

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PO Box 8953
Madison, WI 53708

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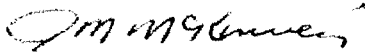
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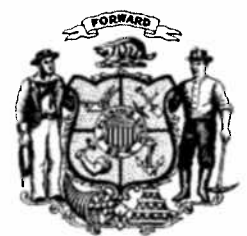
Sincerely,



Jon M. McKinney, D.D.S.
701 N. River Street
Spooner, WI 54801



WISCONSIN STATE LEGISLATURE



FEB 09 2005



Mary Hubler

State Representative

February 8, 2005

Senator Carol Roessler
Representative Suzanne Jeskewitz
Co-Chairs
Joint Legislative Audit Committee
Wisconsin State Legislature

*add
talk
re!*

Dear Co-Chairs Roessler and Jeskewitz:

I request an audit by the Legislative Audit Bureau of the Wisconsin Department of Transportation.

Constituents have asked me to request the audit because of information that has come to light regarding the cost of private contracts versus use of public employees and the possible concealment of public documents regarding the outsourcing.

I have enclosed copies of emails sent by my constituents requesting these audits.

Thank you for your consideration.

Sincerely,

A handwritten signature in cursive script that reads "Mary".

MARY HUBLER
State Representative
75th Assembly District

MH/se

Engelbert, Steve

From: Larsen, Gaylon
Sent: Tuesday, January 25, 2005 7:05 AM
To: Rep.Hubler
Subject: Please Conduct a Legislative Audit of WisDOT

Gaylon Larsen
Sign Crew Chief
AFSME council 24
2253 Polk Barron st
Cumberland, WI 54829-8840

*Let's
talk re!*

January 25, 2005

The Honorable Mary Hubler
Wisconsin Assembly
PO Box 8952
Madison, WI 53708-8952

Dear Representative Hubler:

I am writing you to seek your support in asking the Legislative Audit Bureau to conduct an audit of the Wisconsin Department of Transportation and its out-of-control use of private contractors to replace less costly public employees.

I am confident that you have observed the many news stories related to WisDOT's high-cost contracts and its stonewalling of requests for public documents. Recently, the department released a cost analysis of state employees vs. engineering consultants for the state's highway program. The analysis shows an 18% savings and is considered a conservative estimate of the true costs.

The report, drafted on April 20th, 2004, was kept secret from officials of the Wisconsin State Employees Union, who met with WisDOT Secretary Frank Busalacchi and his staff on July 6th, 2004. This meeting was to discuss the wasteful practice of outsourcing, exactly the topic of the department's report. Secretary Busalacchi advised the Union that he needed more time to convince Governor Doyle that the reduction of state employees in WisDOT was resulting in increased outsourcing, and that this was not the best practice.

In late October 2004, WisDOT released their April 20th report along with a flawed Department of Administration report that appeared to be manufactured to contradict the WisDOT's conservative analysis. The DOA report contains misleading data that double charges state employees for the cost of their benefit package, underreports the average wage of a consultant engineer by 30% to 40%, and fails to report the sizeable costs of department support of consultant services. The Wisconsin State Employees Union has had several WisDOT management team members repeatedly point out to the Union the flaws contained in the DOA report.

I am respectfully requesting that you join in efforts to ask the Audit Bureau to conduct a thorough review of outsourcing of WisDOT services. I am confident that such an audit would show the true costs of the wasteful practice of massive outsourcing. People want a smaller government when it can be shown that it saves them money. If people knew that they were paying more in tax dollars to outsource public services rather than having state employees performing the work, they would be outraged!

For too long WisDOT has been allowed to outsource their services without

scrutiny or accountability. WisDOT fully knows that state employees perform more efficiently and effectively than private contractors. WisDOT has allowed the "consultant industry" to dictate policy and has lost track of what should be their first concern, the state's taxpayers. I strongly believe that WisDOT has lost the ability to put the taxpayers concerns and needs before the demands of the consultant industry.

The road sign inventory scandal in the Division of Infrastructure Development that paid HNTB Corp. over \$160,000 to oversee WisDOT's sign inventory is the poster child of waste in the WisDOT. By WisDOT's own numbers it, would have cost only \$51,700 if they had used state employees. Under severe pressure the WisDOT canceled the contract with HNTB.

WisDOT has demonstrated that they have an integrity issue and as such I believe their responses to allegations of wasteful spending through the outsourcing of services can no longer be trusted. Therefore, I conclude with once again urging you to join in efforts to ask the Legislative Audit Bureau to conduct a thorough review of outsourcing of WisDOT services.

I ask that you please respond to me in writing expressing your views about WisDOT outsourcing and your position on requesting a Legislative Audit Bureau examination of the issue.

Thank you for your time and consideration of my request.

Sincerely,

Gaylon Larsen
Sign Crew Chief
AFSME council 24

Engelbert, Steve

From: David Knutson [dkn@hotm@il.com]
Sent: Tuesday, January 25, 2005 7:05 AM
To: Rep.Hubler
Subject: Please Conduct a Legislative Audit of WisDOT

David Knutson
323 Miller Ave
Spooner, WI 54801-7364

January 25, 2005

The Honorable Mary Hubler
Wisconsin Assembly
PO Box 8952
Madison, WI 53708-8952

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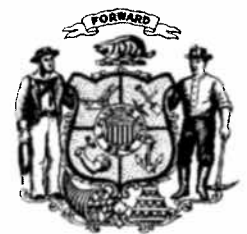
Thank you for your time and consideration of my request.

Sincerely,

David Knutson
Engr Tech Sr
AFSCME-council 24



WISCONSIN STATE LEGISLATURE





WISCONSIN STATE LEGISLATURE

Joint Audit Committee

Committee Co-Chairs:
State Senator Carol Roessler
State Representative Suzanne Jeskewitz

February 17, 2005

Representative Mary Hubler
119 North, P.O. Box 8952
Madison, WI 53708

Dear Representative Hubler:

We received both requests that you recently submitted to the Joint Audit Committee. This letter serves as confirmation of those requests.

Each request submitted receives serious consideration. As conscientious legislators, we all welcome new ways to do things less expensively or more efficiently. We, as co-chairs of the committee, aim to meet once a month to discuss all requests. Shortly after the meeting, one of us will follow-up with you directly to let you know the status of your request.

Thank you again for your request and we will be in touch soon.

Sincerely,

Senator Carol Roessler
Co-chairperson
Joint Legislative Audit Committee

Representative Suzanne Jeskewitz
Co-chairperson
Joint Legislative Audit Committee



WISCONSIN STATE LEGISLATURE

Joint Audit Committee

Committee Co-Chairs:
State Senator Carol Roessler
State Representative Suzanne Jeskewitz

February 17, 2005

Representative Dean Kaufert
308 East, P.O. Box 8952
Madison, WI 53708

Dear Representative Kaufert:

We received the request that you recently submitted to the Joint Audit Committee. This letter serves as confirmation of that request.

Each request submitted receives serious consideration. As conscientious legislators, we all welcome new ways to do things less expensively or more efficiently. We, as co-chairs of the committee, aim to meet once a month to discuss all requests. Shortly after the meeting, one of us will follow-up with you directly to let you know the status of your request.

Thank you again for your request and we will be in touch soon.

Sincerely,

Senator Carol Roessler
Co-chairperson
Joint Legislative Audit Committee

Representative Suzanne Jeskewitz
Co-chairperson
Joint Legislative Audit Committee



WISCONSIN STATE LEGISLATURE

Joint Audit Committee

Committee Co-Chairs:
State Senator Carol Roessler
State Representative Suzanne Jeskewitz

February 17, 2005

Representative Samantha Kerkman
109 West, P.O. Box 8953
Madison, WI 53708

Dear Representative Kerkman:

We received the request that you recently submitted to the Joint Audit Committee. This letter serves as confirmation of that request.

Each request submitted receives serious consideration. As conscientious legislators, we all welcome new ways to do things less expensively or more efficiently. We, as co-chairs of the committee, aim to meet once a month to discuss all requests. Shortly after the meeting, one of us will follow-up with you directly to let you know the status of your request.

Thank you again for your request and we will be in touch soon.

Sincerely,

Senator Carol Roessler
Co-chairperson
Joint Legislative Audit Committee

Representative Suzanne Jeskewitz
Co-chairperson
Joint Legislative Audit Committee



WISCONSIN STATE LEGISLATURE

Joint Audit Committee

Committee Co-Chairs:
State Senator Carol Roessler
State Representative Suzanne Jeskewitz

February 17, 2005

Representative Dan Vrakas
119 West, P.O. Box 8953
Madison, WI 53708

Dear Representative Vrakas:

We received the request that you recently submitted to the Joint Audit Committee. This letter serves as confirmation of that request.

Each request submitted receives serious consideration. As conscientious legislators, we all welcome new ways to do things less expensively or more efficiently. We, as co-chairs of the committee, aim to meet once a month to discuss all requests. Shortly after the meeting, one of us will follow-up with you directly to let you know the status of your request.

Thank you again for your request and we will be in touch soon.

Sincerely,

Senator Carol Roessler
Co-chairperson
Joint Legislative Audit Committee

Representative Suzanne Jeskewitz
Co-chairperson
Joint Legislative Audit Committee





February 24, 2005

The Honorable Carol Roessler, Co-Chair
Joint Legislative Audit Committee
Room 8 South, State Capitol
Madison, WI 53703

The Honorable Sue Jeskewitz, Co-Chair
Joint Legislative Audit Committee
Room 314 North, State Capitol
Madison, WI 53703

Dear Co-Chairs Roessler and Jeskewitz:

On behalf of dentists throughout the 31st Senate District, I write to request that the Legislative Audit Bureau (LAB) conduct an audit of the portion of the state's Medical Assistance (MA) contract utilizing an HMO to administer dental services in Racine, Kenosha, Milwaukee and Waukesha counties.

I understand that instead of the fee-for-service model used throughout the rest of the state, the state contracts with medical HMOs for provision of dental services to MA patients in these four counties by providing a flat monthly enrollment fee. The dental services are then subcontracted to a dental managed care organization, which in turn subcontracts directly with individual dentists who provide the services.

In addition to a general comparison of the costs and benefits of the HMO contract and the fee-for-service models, I request that the LAB review the record keeping procedures required under the two programs. In times of increased program needs and provider shortages, it is important that we ensure that the state is receiving the maximum benefit for the funds expended for the Medical Assistance program.

Thank you for your consideration of this request. Please don't hesitate to contact me if you have any questions regarding this issue.

Sincerely,

A handwritten signature in cursive script that reads "Ron Brown".

Ron Brown
State Senator
31st District

RB:km





WISCONSIN STATE LEGISLATURE

Joint Audit Committee

Committee Co-Chairs:
State Senator Carol Roessler
State Representative Suzanne Jeskewitz

February 28, 2005

Representative Terese Berceau
208 North, P.O. Box 8952
Madison, WI 53708

Dear Representative Berceau

Thank you for your letter requesting us to direct the Legislative Audit Bureau to conduct an audit of state contracting procedures. We share your concern about the process for determining when a state department will enter into an outside contract rather than using in-house staff. Taxpayers should have confidence that their tax dollars are utilized in the most efficient manner possible. Media accounts to the contrary and the conflicting reports on the true cost of engineering contracts at the Department of Transportation suggest that some greater level of scrutiny is warranted.

If our ultimate goal is to ensure uniform and enforceable procedures for state departments to utilize when considering the use of an outside contractor, we believe our most expedient course of action is to support and pass SB56 and/or AB105. It would take a year or more before we would have results and recommendations from an audit. According to the Legislative Reference Bureau analyses, these bills would require agencies to conduct a uniform cost-benefit analysis of each proposed contractual service procurement in accordance with standards prescribed in the rules, and include a requirement for agencies to review periodically the continued appropriateness of contracting under each contractual services agreement.

It is our understanding that there is broad support for these bills. Because of the likely legislative action on these proposals, we have elected to place your request for an audit of state contracting procedures in pending status. Should legislative action not be forthcoming, we will revisit the request for an audit of state contracting practices at a later date.

Thank you again for your request.

Sincerely,

Senator Carol A. Roessler
Co-chairperson
Joint Legislative Audit Committee

Representative Suzanne Jeskewitz
Co-chairperson
Joint Legislative Audit Committee



WISCONSIN STATE LEGISLATURE

Joint Audit Committee

Committee Co-Chairs:
State Senator Carol Roessler
State Representative Suzanne Jeskewitz

February 28, 2005

Representative Spencer Black
210 North, P.O. Box 8952
Madison, WI 53708

Dear Representative Black:

Thank you for your letter requesting us to direct the Legislative Audit Bureau to conduct an audit of state contracting procedures. We share your concern about the process for determining when a state department will enter into an outside contract rather than using in-house staff. Taxpayers should have confidence that their tax dollars are utilized in the most efficient manner possible. Media accounts to the contrary and the conflicting reports on the true cost of engineering contracts at the Department of Transportation suggest that some greater level of scrutiny is warranted.

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Thank you again for your request.

Sincerely,

Senator Carol A. Roessler
Co-chairperson
Joint Legislative Audit Committee

Representative Suzanne Jeskewitz
Co-chairperson
Joint Legislative Audit Committee



WISCONSIN STATE LEGISLATURE

Joint Audit Committee

Committee Co-Chairs:
State Senator Carol Roessler
State Representative Suzanne Jeskewitz

February 28, 2005

Representative Mary Hubler
119 North, P.O. Box 8952
Madison, WI 53708

Dear Representative Hubler:

Mary

Thank you for your letter requesting us to direct the Legislative Audit Bureau to conduct an audit of state contracting procedures. We share your concern about the process for determining when a state department will enter into an outside contract rather than using in-house staff. Taxpayers should have confidence that their tax dollars are utilized in the most efficient manner possible. Media accounts to the contrary and the conflicting reports on the true cost of engineering contracts at the Department of Transportation suggest that some greater level of scrutiny is warranted.

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Thank you again for your request.

Sincerely,

Senator Carol A. Roessler
Co-chairperson
Joint Legislative Audit Committee

Representative Suzanne Jeskewitz
Co-chairperson
Joint Legislative Audit Committee



WISCONSIN STATE LEGISLATURE

Joint Audit Committee

Committee Co-Chairs:
State Senator Carol Roessler
State Representative Suzanne Jeskewitz

February 28, 2005

Senator Robert Jauch
130 South, P.O. Box 7882
Madison, WI 53707

Dear Senator Jauch:

Thank you for your letter requesting us to direct the Legislative Audit Bureau to conduct an audit of state contracting procedures. We share your concern about the process for determining when a state department will enter into an outside contract rather than using in-house staff. Taxpayers should have confidence that their tax dollars are utilized in the most efficient manner possible. Media accounts to the contrary and the conflicting reports on the true cost of engineering contracts at the Department of Transportation suggest that some greater level of scrutiny is warranted.

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It is our understanding that there is broad support for these bills. Because of the likely legislative action on these proposals, we have elected to place your request for an audit of state contracting procedures in pending status. Should legislative action not be forthcoming, we will revisit the request for an audit of state contracting practices at a later date.

Thank you again for your request.

Sincerely,

Senator Carol A. Roessler
Co-chairperson
Joint Legislative Audit Committee

Representative Suzanne Jeskewitz
Co-chairperson
Joint Legislative Audit Committee



WISCONSIN STATE LEGISLATURE

Joint Audit Committee

Committee Co-Chairs:
State Senator Carol Roessler
State Representative Suzanne Jeskewitz

February 28, 2005

Representative Karl Van Roy
123 West, P.O. Box 8953
Madison, WI 53708

Dear Representative Van Roy:

Thank you for your letter requesting us to direct the Legislative Audit Bureau to conduct an audit of state contracting procedures. We share your concern about the process for determining when a state department will enter into an outside contract rather than using in-house staff. Taxpayers should have confidence that their tax dollars are utilized in the most efficient manner possible. Media accounts to the contrary and the conflicting reports on the true cost of engineering contracts at the Department of Transportation suggest that some greater level of scrutiny is warranted.

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Thank you again for your request.

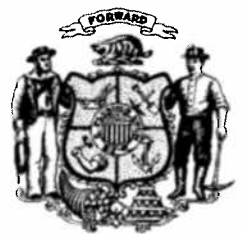
Sincerely,

Senator Carol A. Roessler
Co-chairperson
Joint Legislative Audit Committee

Representative Suzanne Jeskewitz
Co-chairperson
Joint Legislative Audit Committee



WISCONSIN STATE LEGISLATURE





WISCONSIN STATE LEGISLATURE

Joint Legislative Audit Committee

Committee Co-Chairs:
State Senator Carol Roessler
State Representative Suzanne Jeskewitz

March 23, 2005

Representative Dan Meyer
306 East, State Capitol
Madison, Wisconsin 53702

Dear Representative Meyer:

Thank you for your letter, dated January 27, 2005, requesting that we direct the Legislative Audit Bureau to review the Hunter Safety Education Program administered by the Department of Natural Resources.

After discussing the request with the State Auditor, we have directed the Legislative Audit Bureau to conduct a limited-scope review of this program. At our request, Bureau staff will contact agency staff who administer the program, review program operations, analyze program expenditures, collect information on similar programs operated by other states, and prepare a brief report on their findings.

If you have any additional questions or concerns, please contact our offices.

Sincerely,

Senator Carol A. Roessler, Co-chair
Joint Legislative Audit Committee

Representative Suzanne Jeskewitz, Co-chair
Joint Legislative Audit Committee

Enclosure

cc: Scott Hassett, Secretary
Department of Natural Resources

Janice Mueller
State Auditor