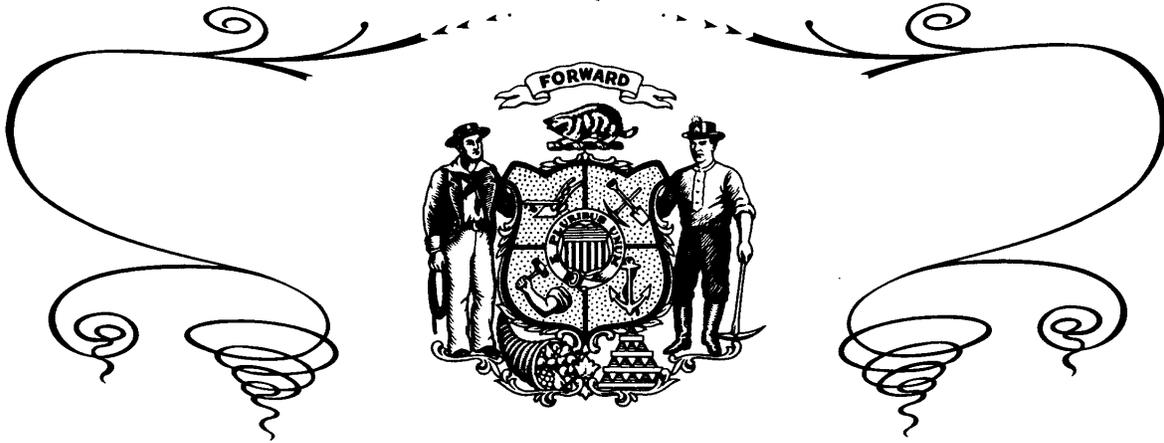


State of Wisconsin



2003 Senate Resolution 7

ENGROSSED RESOLUTION

Relating to: urging the Wisconsin congressional delegation to work to enact legislation that would reform the current Medicare system and create a funding method that will dispense equal benefits regardless of geography.

Whereas, the archaic and complex Medicare reimbursement formula rewards Medicare providers in areas with high historic health costs while penalizing those providers in low-cost areas for the same services; and

Whereas, Wisconsin and other upper midwestern states have traditionally been paid less per Medicare enrollee due to our efficient, low-cost management of health care services; and

Whereas, Wisconsin receives the 8th lowest Medicare payments per enrollee in the nation; and

Whereas, if Wisconsin received Medicare payments at the national average, an additional \$1,000,000,000 in benefits would flow to our seniors and their health care providers; and

Whereas, Wisconsin should no longer be a "donor" state by contributing its fair share to the federal program while receiving fewer benefits and lower reimbursements in return; and

Whereas, the failure of Wisconsin Medicare to cover the cost of health care for its beneficiaries shifts the cost burden to employers and the privately insured, translating into a hidden tax increase that contributes to rising health insurance premiums and the uninsured population; and

Whereas, an increase in the uninsured would have a detrimental impact on the health of many Wisconsin citizens, would drive up health care costs, and could lead to a significant rise in the use of government programs such as BadgerCare or Medical Assistance, thus requiring additional funding from Wisconsin taxpayers; and

Whereas, another practical result of this payment inequity is that Wisconsin's seniors are denied access to the broad range of affordable benefits and services that seniors in many other states take for granted; and

Whereas, in places where reimbursement rates are high, such as Florida, Medicare health maintenance organizations can offer their plans without a premium, while in Wisconsin the Medicare population has limited access to health maintenance organization care; and

Whereas, Wisconsin's hospitals are paid 14% less than their costs and thus rank 45th nationally in percentage of costs paid for providing services to Medicare beneficiaries; and

Whereas, Wisconsin physicians are paid approximately one-third or less of their costs, and Wisconsin consistently ranks nationally as one of the 10 lowest states in Medicare reimbursement for medical services provided; and

Whereas, the impact of this inequity has now translated into the delay, by 50% of Wisconsin physicians who treat Medicare patients, in the purchase of new and needed equipment; and

Whereas, 15% of physicians have started restricting the number of new Medicare patients that they will accept while another 9% can no longer afford to accept new Medicare patients, despite an aging Wisconsin population; and

Whereas, physicians who are still currently seeing Medicare patients have reduced their number of weekly appointments by 18%; and

Whereas, the Medicare cuts cost Wisconsin physicians \$40,000,000 last year, forcing 6% of physicians to close their private practices because they could no longer cover their overhead costs and pay their staff; and

Whereas, the impact of this inequity means the poor, disabled, and elderly will face serious challenges trying to access care; and

Whereas, the impact of this inequity threatens the viability of our health care providers, especially in rural Wisconsin where Medicare enrollees typically constitute over 50% of a hospital's costs; and

Whereas, allowing the Medicare reimbursement formula to exist in its current form will guarantee even greater cost-shifting, unending double-digit health insurance premium increases, an increase in the uninsured, a continued decrease in physicians accepting Medicare patients, and fewer hospitals; and

Whereas, Wisconsin hospitals, physicians, and insurers stand united in their effort to ensure that Wisconsin providers receive the payments that they deserve, and that patients receive the benefits that they deserve; now, therefore, be it

Resolved by the senate, That the Wisconsin senate urges the members of the congressional delegation from this state to work to enact legislation that would reform the current Medicare system and create a funding method that will dispense equal benefits regardless of geography; and, be it further

Resolved, That the senate chief clerk shall send copies of this resolution to the President of the United States, the speaker of the U.S. house of representatives, the president of the U.S. senate, and all of the members of the congressional delegation from this state.

State Capitol
Madison, Wisconsin

Senator Alan J. Lasee
President of the Senate

Date

Donald J. Schneider
Senate Chief Clerk