



Legislative Fiscal Bureau

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May 3, 2011

Joint Committee on Finance

Paper #380

10% Across-The-Board Reduction for Non-Staff Costs -- Well Woman Program (DHS -- Departmentwide)

[LFB 2011-13 Budget Summary: Page 249, #3 (part)]

CURRENT LAW

The Division of Public Health in the Department of Health Services (DHS) administers the Wisconsin well woman program (WWWP). WWWP provides breast cancer and cervical cancer screening and diagnostic services to uninsured or underinsured women, ages 45 through 64, who have income at or below 250% of the federal poverty level (FPL). Women ages 35 through 44 or over age 64 may also qualify for under certain circumstances. The program does not fund services to treat these conditions, although women who receive screening and diagnostic services through the WWWP may qualify for treatment under the well women medical assistance program.

Base GPR funding for the program is \$2,228,200 annually. In addition, the program is partially funded from a grant from the Centers for Disease Control and Prevention, which is \$3,305,900 in the current fiscal year.

GOVERNOR

Reduce funding for WWWP by \$222,800 GPR annually. This funding reduction is part of an item that would decrease non-staff funding by 10% for most GPR and PR appropriations. Attachment 1 lists all of the DHS appropriations that would be subject to the across-the-board reduction.

DISCUSSION POINTS

1. In his letter to the Co-Chairs of the Committee, the Secretary of the Department of

Administration requested that the Committee make several modifications to the Governor's budget. Among the requested changes was an item to restore the funding that would be reduced in the Governor's bill for the WWWP, as part of the 10% across-the-board funding reductions for non-staff costs. This change to the bill would maintain base GPR funding for the program (\$2,228,200 GPR annually).

2. WWWP provides cervical and breast cancer screenings to low-income women who are uninsured or underinsured. The program served 8,896 women in 2009-10, and the screenings provided to these women resulted in 73 diagnoses of breast cancer and 10 diagnoses of cervical cancer. DHS indicates that approximately 28% of the women served by the program are between the ages of 35 and 49, 70% are between the ages of 50 and 64, and 2% are 65 years of age or older. WWWP participants must have gross income at or below 250% of the federal poverty level (currently \$46,325 annually for a family of three).

3. The practical effect of the funding reduction in the bill is not known. DHS allocates WWWP funding for several purposes, in addition to reimbursing health care providers for conducting screenings for breast and cervical cancer. For example, DHS currently allocates \$422,600 GPR annually to local coordinating agencies, which administer the program at the local level. These agencies' responsibilities including conducting enrollment activities, referring eligible women to health care providers, and monitoring services and program spending for enrollees.

In addition, the WWWP funds the following: (a) breast cancer screenings in the City of Milwaukee through the use of a mobile mammography van (up to \$115,200 annually); (b) media announcements and educational materials (\$20,000 annually); (c) specialized training for nurse practitioners to perform, in rural areas, colposcopic examinations and follow-up activities for the treatment of cervical cancer (up to \$25,000 annually); (d) a women's health campaign; (e) osteoporosis prevention and education; and (f) a multiple sclerosis education program, including \$60,000 annually for services.

4. Under current law, the Department is required to administer the program to ensure that program costs do not exceed the amounts budgeted for the program. Specifically, DHS is required to modify services or reimbursement (payment rates to health care providers) if DHS determines that projected program costs will exceed amounts available for the program. Given the importance of the screening and diagnostic services available under the program, DHS could implement the funding reduction in the bill by reducing funding for some of the other activities funded under the program (as described above), or reducing payment rates. DHS has not determined how it would implement the funding reduction in the Governor's bill.

5. Based on the (all funds) amount available for the program in the current year (\$5,534,100), the \$222,800 GPR reduction in the bill represents a 4.0% in total funding available for services provided under the program.

6. In recent years, nearly all of the funding budgeted for the program has been expended. In 2008-09, when the program served 10,346 women, DHS expended all but \$10,800 of the GPR appropriation amount. In 2009-10, the program expended all but \$32,400 of the

GPR funding budgeted for the program. As the GPR is budgeted in an annual appropriation, any unexpended funds in the appropriation at the end of a fiscal year lapse to the general fund.

7. The arguments for maintaining base funding for WWWP could also apply to other health programs affected by the 10% across-the-board reductions. For example, DHS administers the tuberculosis (TB) program, which provides TB-related medication to individuals and reimburses local health departments for services they provide to individuals with TB infection, and the AIDS/HIV program, which provides several types of services for individuals with AIDS/HIV infections. The funding reductions in the bill could affect the number of people who receive services under these programs, the types of services they receive, or both. All GPR appropriations in the public health program, including the TB and AIDS/HIV programs, would be subject to the 10% funding reduction. The only exception is the GPR funding currently budgeted for family planning activities, which would be eliminated entirely under a separate item.

8. If the Committee wishes to apply the same percentage across-the-board reductions to DHS programs, without exempting specific programs and appropriations, it could retain the Governor's initial recommendations, as provided in the bill (Alternative 1). Alternatively, the Committee could increase funding in the bill by \$228,800 GPR annually to exempt the WWWP from the across-the-board reductions, as requested by the DOA Secretary (Alternative 2).

9. The Committee could decide that the \$222,800 GPR increase requested by DOA should be provided not only to increase support for the WWWP, but also the other public health appropriations that would be affected by the across-the-board reductions (Alternative 3). Under this alternative, funding for all GPR-supported public health programs, including WWWP, would increase proportionately, compared to the amounts budgeted for these programs in the bill. This option would apply a 9.327% reduction to all public health appropriations including WWWP, rather than 10%, and would increase GPR funding for public appropriations proportionately by a total of \$222,800 annually (equal to the funding increase requested by the administration exclusively for the WWWP).

10. Another alternative would be to restore funding for the WWWP by \$228,800 GPR annually, but fund the increase by further reducing funding for other GPR-funded public health programs that would be subject to the across-the-board reductions (Alternative 4). This alternative would decrease GPR for the remaining public health appropriations proportionately by a total of \$222,800 annually, the amount that would be restored for the WWWP. The total reduction to the non-WWWP GPR appropriations would equal 10.722% of the base funding amounts, rather than 10%.

11. Finally, the Committee could delete the 10% reductions for all the GPR-supported public health appropriations, rather than just for WWWP (Alternative 5). This alternative would increase funding in the bill by \$3,308,400 GPR annually.

Attachment 2 provides the total reduction and the change to the amount budgeted in the bill for the GPR-supported public health appropriations under each alternative.

ALTERNATIVES

1. Approve Governor's original recommendations relating to the 10% across-the-board funding reductions.
2. Increase funding in the bill by \$222,800 GPR annually to delete the funding reduction for the WWWP in the bill.

ALT 2	Change to Bill Funding
GPR	\$445,600

3. Increase funding for all GPR-funded public health programs by a total of \$222,800 GPR annually, as shown on Attachment 2, so that each program would be reduced by approximately 9.3%, rather than 10% as provided in the bill.

ALT 3	Change to Bill Funding
GPR	\$445,600

4. Increase funding for the WWWP by \$222,800 GPR annually and decrease funding for the remaining public health GPR appropriations that would be subject to the 10% across-the-board reduction by a total of \$222,800, as shown in Attachment 2.
5. Delete 10% across-the-board funding reduction for all GPR-supported public health appropriations. Increase funding in DHS by \$3,308,400 GPR annually.

ALT 5	Change to Bill Funding
GPR	\$6,616,800

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Attachment

ATTACHMENT 1

10% Reduction to DHS Non-staff GPR and PR Appropriations

<u>Fund</u>	<u>Appropriation</u>	<u>Base</u>	<u>Annual Reduction</u>
Public Health			
GPR	General Program Operations	\$1,107,100	\$110,700
GPR	AIDS/HIV Services	6,386,600	638,700
GPR	General Aids and Local Assistance	573,200	57,300
GPR	Well Woman Program	2,228,200	222,800
GPR	Cancer Control and Prevention	371,000	37,100
GPR	Emergency Medical Services -- Aids	2,178,000	217,800
GPR	Dental Services	3,004,800	300,500
GPR	Clinic Aids	74,200	7,400
GPR	Rural Health Dental Clinics	995,000	99,500
GPR	Food Distribution Grants -- Emergency Food Assistance Program	320,000	32,000
GPR	Statewide Poison Control Program	425,000	42,500
GPR	Public Health Dispensaries and Drugs -- Tuberculosis	734,400	73,400
GPR	Radon Aids	29,700	3,000
GPR	Lead Poisoning and Exposure Services	994,100	99,400
GPR	Pregnancy Counseling	76,800	7,700
GPR	Supplemental Food Program for Women, Infants and Children (WIC) Benefits	179,300	17,900
GPR	Reducing Fetal and Infant Mortality -- Racine County	247,500	24,800
GPR	Pregnancy Outreach and Infant Health	209,100	20,900
GPR	Community Health Centers	6,100,000	610,000
GPR	Tobacco Use Control Grants	6,850,000	685,000
PR	Minority Health Program	148,500	14,900
PR	Native American Health Projects	118,800	11,900
PR	Native American Diabetes Prevention and Control	25,000	2,500
PR	Licensing, Review and Certifying Activities -- Fees	9,591,300	959,200
PR	Cancer information	20,000	2,000
PR	WIC Administration	60,000	6,000
PR	Health Care Information -- Operations	902,700	90,300
PR	Congenital Disorders -- Services and Operations	3,159,300	316,000
PR	Administrative Service Fees	125,000	12,500
Health Care Access and Accountability			
PR	Tribal Relief Block Grants	\$792,000	\$79,200
PR	MA Outreach and Reimbursements for Tribes	1,059,300	105,900

<u>Fund</u>	<u>Appropriation</u>	<u>Base</u>	<u>Annual Reduction</u>
	Mental Health and Substance Abuse Services		
GPR	General Program Operations	\$500,200	\$50,000
GPR	Grants for Community Programs	5,933,500	593,400
GPR	Mental Health Treatment Services	10,628,000	1,062,800
GPR	Community Support Programs and Psychosocial Services	4,175,000	417,500
GPR	Initiatives for Coordinated Services	202,000	20,200
PR	Compulsive Gambling Awareness Campaigns	396,000	39,600
PR	Native American Aids	268,900	26,900
PR	Native American Drug Abuse Prevention and Education	495,000	49,500
PR	Alcohol and Other Drug Abuse Initiatives	581,200	58,100
PR	Collection Remittances to Local Governments	4,900	500
PR	Services for Drivers -- Intoxicated Driver Program	990,000	99,000
PR	Administrative Service Fees	4,500	500
	Quality Assurance		
GPR	General Program Operations	\$1,052,800	\$105,300
PR	Nursing Facility Resident Protection	149,500	15,000
PR	Administrative Service Fees	52,900	5,300
	Long-Term Care Services		
PR	Elderly Nutrition -- Home-delivered and Congregate Meals	\$495,000	\$49,500
	General Administration		
GPR	General Program Operations	<u>\$1,909,400</u>	<u>\$191,000</u>
	Total, All Funds	\$76,924,700	\$7,692,900

ATTACHMENT 2

Comparison of Alternatives -- Total Reduction and Change to Bill

	Alternative 1		Alternative 2		Alternative 3		Alternative 4		Alternative 5	
	Total Reduction	Change to Bill								
General Program Operations	\$110,700	\$0	\$110,700	\$0	\$103,300	\$7,400	\$118,700	-\$8,000	\$0	\$110,700
AIDS/HIV Services	638,700	0	638,700	0	595,700	43,000	684,800	-46,100	0	638,700
General Aids and Local Assistance	57,300	0	57,300	0	53,500	3,800	61,500	-4,200	0	57,300
Well Woman Program	222,800	0	0	222,800	207,800	15,000	0	222,800	0	222,800
Cancer Control and Prevention	37,100	0	37,100	0	34,600	2,500	39,800	-2,700	0	37,100
Emergency Medical Services -- Aids	217,800	0	217,800	0	203,100	14,700	233,500	-15,700	0	217,800
Dental Services	300,500	0	300,500	0	280,200	20,300	322,200	-21,700	0	300,500
Clinic Aids	7,400	0	7,400	0	6,900	500	8,000	-600	0	7,400
Rural Health Dental Clinics	99,500	0	99,500	0	92,800	6,700	106,700	-7,200	0	99,500
Food Distribution Grants	32,000	0	32,000	0	29,800	2,200	34,300	-2,300	0	32,000
Statewide Poison Control Program	42,500	0	42,500	0	39,600	2,900	45,600	-3,100	0	42,500
Public Health Dispensaries and Drugs	73,400	0	73,400	0	68,500	4,900	78,700	-5,300	0	73,400
Radon Aids	3,000	0	3,000	0	2,800	200	3,200	-200	0	3,000
Lead Poisoning and Exposure Services	99,400	0	99,400	0	92,700	6,700	106,600	-7,200	0	99,400
Pregnancy Counseling	7,700	0	7,700	0	7,200	500	8,200	-500	0	7,700
WIC Benefits -- Farmer's Market	17,900	0	17,900	0	16,700	1,200	19,200	-1,300	0	17,900
Reducing Fetal and Infant Mortality	24,800	0	24,800	0	23,100	1,700	26,500	-1,700	0	24,800
Pregnancy Outreach and Infant Health	20,900	0	20,900	0	19,500	1,400	22,400	-1,500	0	20,900
Community Health Centers	610,000	0	610,000	0	568,900	41,100	654,000	-44,000	0	610,000
Tobacco Use Control Grants	<u>685,000</u>	<u>0</u>	<u>685,000</u>	<u>0</u>	<u>638,900</u>	<u>46,100</u>	<u>734,500</u>	<u>-49,500</u>	<u>0</u>	<u>685,000</u>
Total	\$3,308,400	\$0	\$3,085,600	\$222,800	\$3,085,600	\$222,800	\$3,308,400	\$0	\$0	\$3,308,400