



PUBLIC HEALTH WI STATE BUDGET BRIEF:

The 2009-11 state budget bill was recently passed by the Legislature and signed into law by Governor Jim Doyle. The budget was passed on time for the first time since 1977 and is the largest budget in state history – spending \$61 billion over the next two years.

The historic budget bill closed a record \$6.6 billion deficit by increasing taxes and fees by over \$2 billion, cutting state agency spending by \$3 billion, reducing aid to local governments and utilizing federal economic stimulus money.

The final two-year spending plan for the state includes a number of exciting public health initiatives, from a 75-cent per pack cigarette tax increase to the expansion of Family Planning Waiver benefits for males and approval of a School of Public Health at the University of Wisconsin-Milwaukee.

Unfortunately, the budget also includes funding reductions of up to 5% per year for many public health programs administered by the state and, in an unprecedented move to fill the budget gap, cuts funding for the state's Tobacco Control Program by over 50%

Please find below a brief overview of public health-related items that were included in the final version of the budget bill (2009 WI ACT 28) and may be of interest to WPHA / WALHDAB and its members:

- 1. Expand the Family Planning Waiver program to income-eligible males ages 15 to 44 who don't qualify for Medical Assistance (MA). The program will provide eligible males with such services as family planning education, office visits, condoms and STD testing.**
- 2. Authorize local school districts to exceed revenue cap limits for school nursing services. The exception would apply to school districts that directly employ a school nurse and to school districts that contract for nursing services.**
- 3. Increase the cigarette tax by 75-cents per pack -- from \$1.77 to \$2.52 per pack.**
- 4. Change the tax on moist snuff from a weight-based tax to a percentage-based tax of 100% of the manufacturers' list price. This provision will effectively increase the tax on moist snuff.**
- 5. Increase the tax on all other tobacco products (except cigars) by 21%.**
- 6. Statutorily transfer the WIC program from the Department of Children and Families to the Department of Health Services.**
- 7. Approve and authorize funding for a school of Public Health at University of Wisconsin-Milwaukee.**
- 8. Require insurers, at the policy holder's request, to offer health insurance coverage to dependents through the age of 26.**
- 9. Authorize primary enforcement of the state's seat belt laws.**

10. **Require every Wisconsin pharmacy to dispense contraceptive drugs and devices without delay – except under certain exceptions, such as fraud or error.**
11. **Require commercial disability insurance policies to cover contraceptive drugs and services.**
12. **Reduce funding for the state’s Tobacco Control Program by \$8.4 million annually in each year of the two-year budget cycle. This action reduces funding for the program from \$30.5 million in the 2007-09 biennium to \$13.7 million in the current biennium – a 55% funding reduction.**
13. **Combined with previous budget-reduction initiatives, the budget bill reduces funding for the state's MA program by over \$550 million. The Department of Health Services is directed under the budget to find and implement the savings.**
14. **Despite the required funding reductions to MA, eligibility standards and benefits for Medicaid, BadgerCare-Plus and SeniorCare recipients are maintained at current levels.**
15. **Expand MA coverage to income-eligible adults without children.**
16. **Restoration of the Clean Sweep Program and \$750,000 in annual funding for the program. The Program provides grants to municipalities for the collection of agricultural chemicals as well as household chemicals and hazardous wastes – including unwanted prescription drugs. Governor Doyle had initially recommended repealing the Program.**
17. **Continue expansion of Family Care, with more than 20 new counties implementing the program over the next two years.**
18. **Provide \$500,000 to study the feasibility of expanding access to dental education and the state’s role in increasing dental care in underserved areas.**
19. **Provide a one-time \$200,000 grant to Milwaukee Health Services to purchase equipment and provide dental services to low-income individuals.**

In addition to the items included in the final budget, the following public health provision inserted in the bill by the Legislature was vetoed by the governor:

- **Require all managed care organizations that serve MA patients to: 1.) Provide a prenatal care coordination program for pregnant MA recipients; 2. Assign a primary care provider to each MA enrollee; and 3.) Implement chronic disease management and case coordination programs for enrollees diagnosed with certain chronic diseases.**

The Governor vetoed this provision on the grounds that the requirement was excessively prescriptive and would bind the Department in their efforts to administer the MA managed care program using quantifiable health outcomes.

The WALHDAB / WPHA Government Affairs Team is currently compiling detailed information on all funding reductions made to public health programs in the 2009-11 state budget. Once the information is collected and analyzed, it will be put into report form and distributed to members.

In addition, members will receive more in-depth information on budget-related items, as budget policies and programs are implemented by state agencies.