

PUBLIC HEALTH FUNDING IN WISCONSIN



State Health Officer Bi-Monthly
Webcast

Dr. Sheri Johnson, Administrator
Wisconsin Division of Public Health

April 27, 2007

US Health Care Costs: \$2 Trillion Dollars



Health Care Costs in 10 Years: \$4 Trillion Dollars



**Having a System that Lowers Costs
by Helping People be Healthy:**

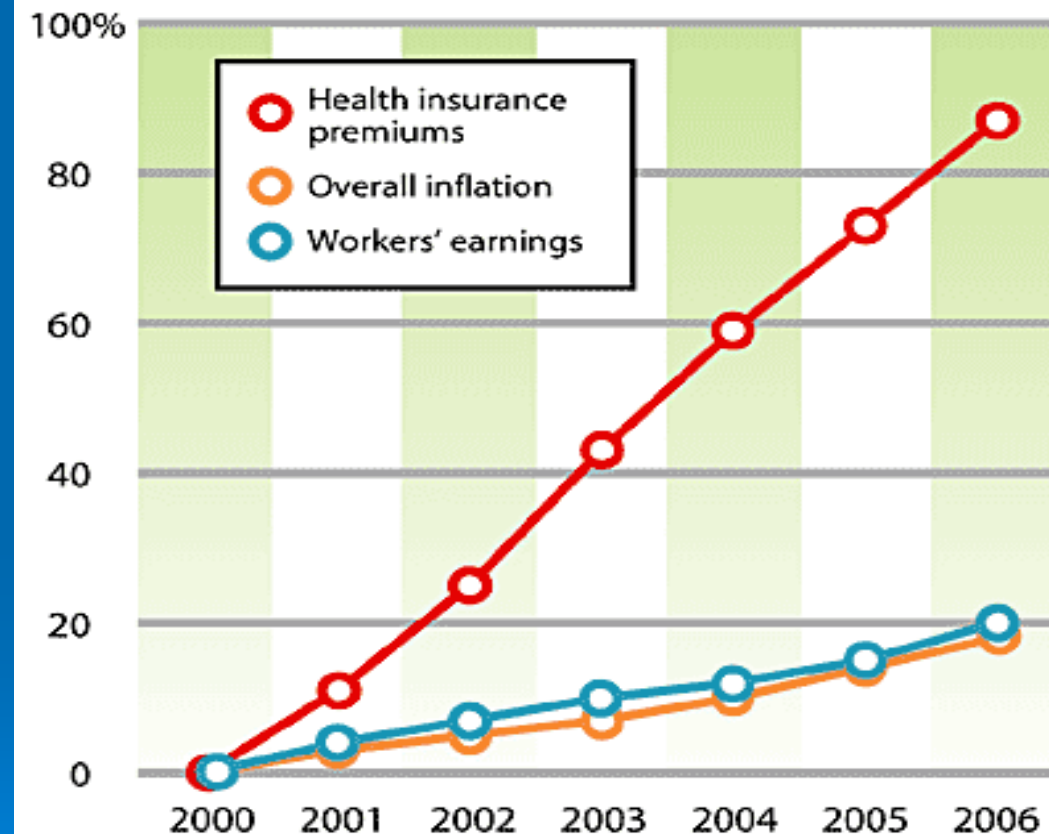


Public Health

PRICELESS

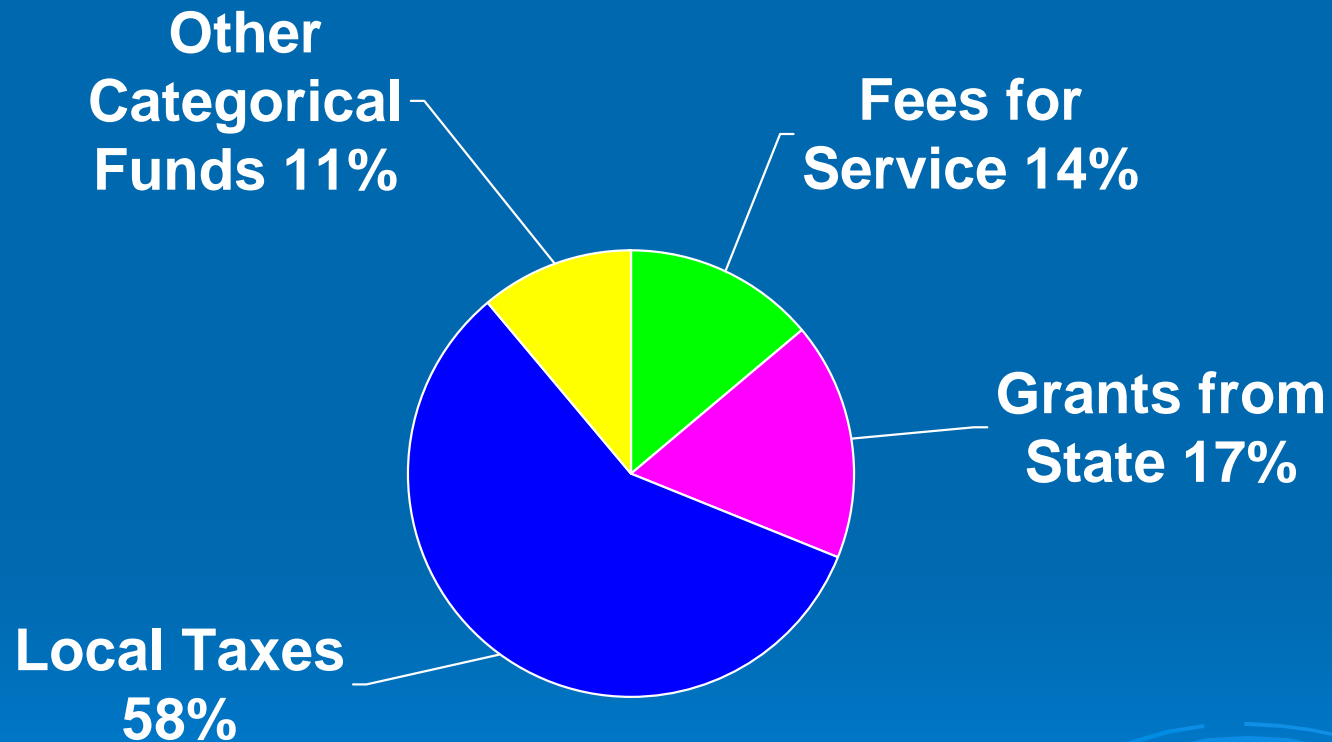
The rising cost of healthcare

The mounting cost of health insurance premiums for a family of four has outpaced growth in workers' wages and inflation from 2000 to 2006.



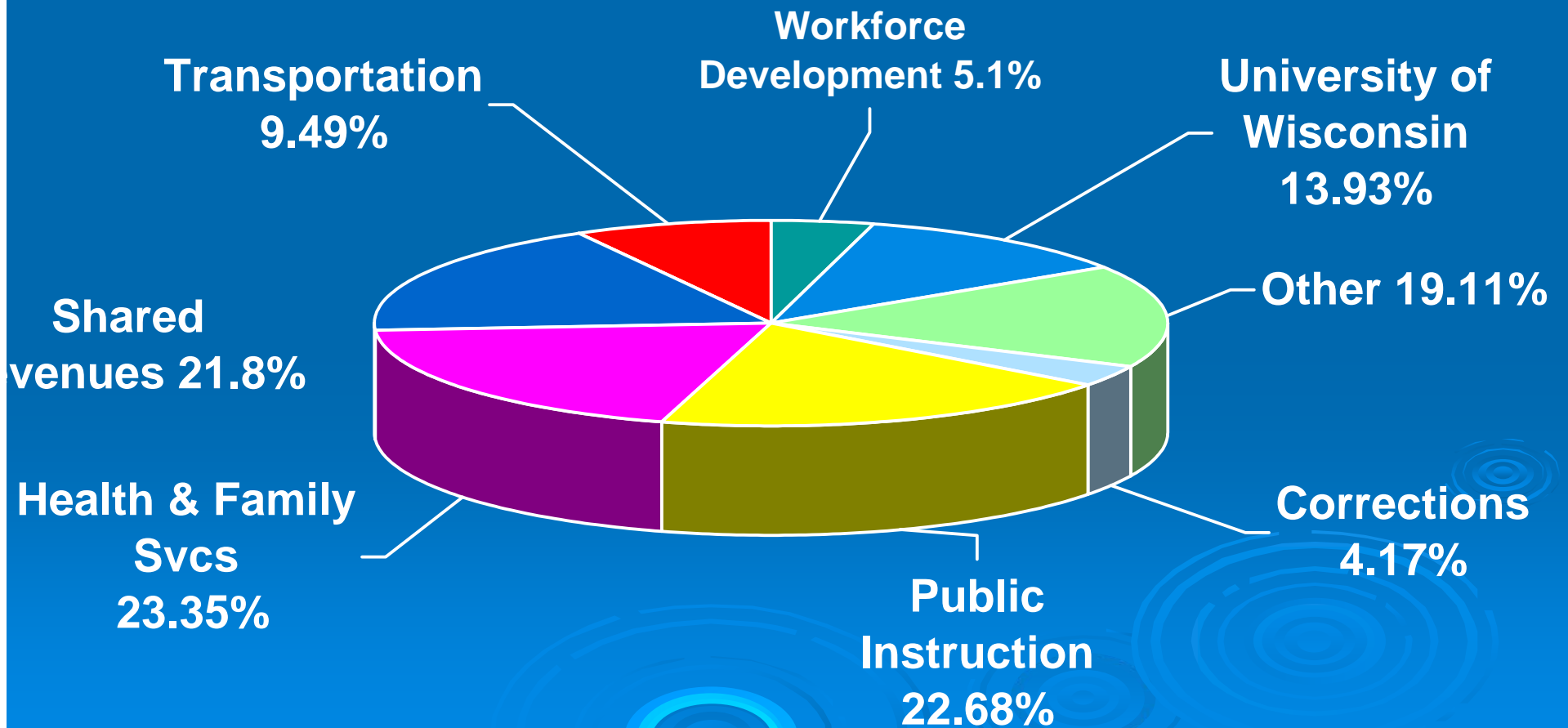
*Source: "Burdened by healthcare costs. US Businesses seek a shift." The Christian Science Monitor. February 13, 2007

Statewide LPHD Expenditures by Source of Funds



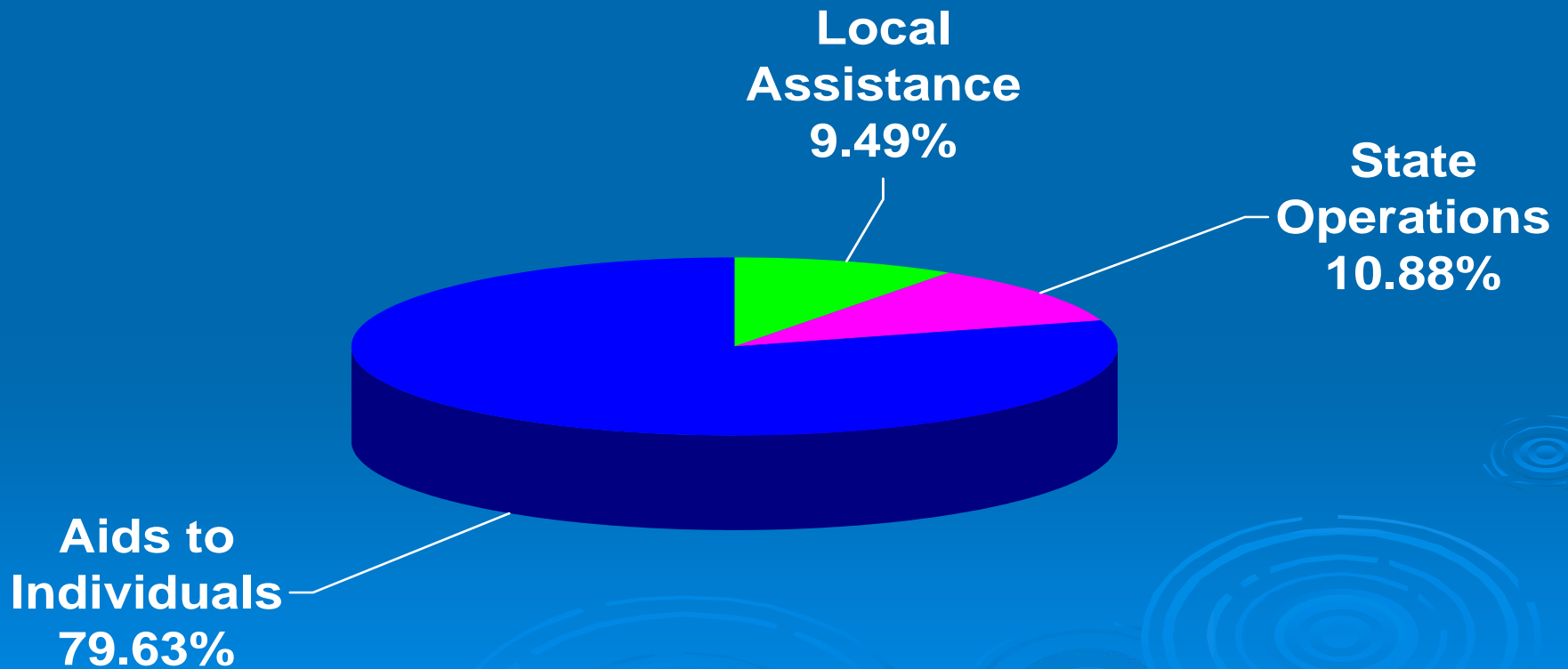
*Source: 2004 Statewide Local Public Health Survey. Conducted by Division of Public Health.

2005-07 Wisconsin Total Budget by State Agency (Total Budget = \$26 billion)

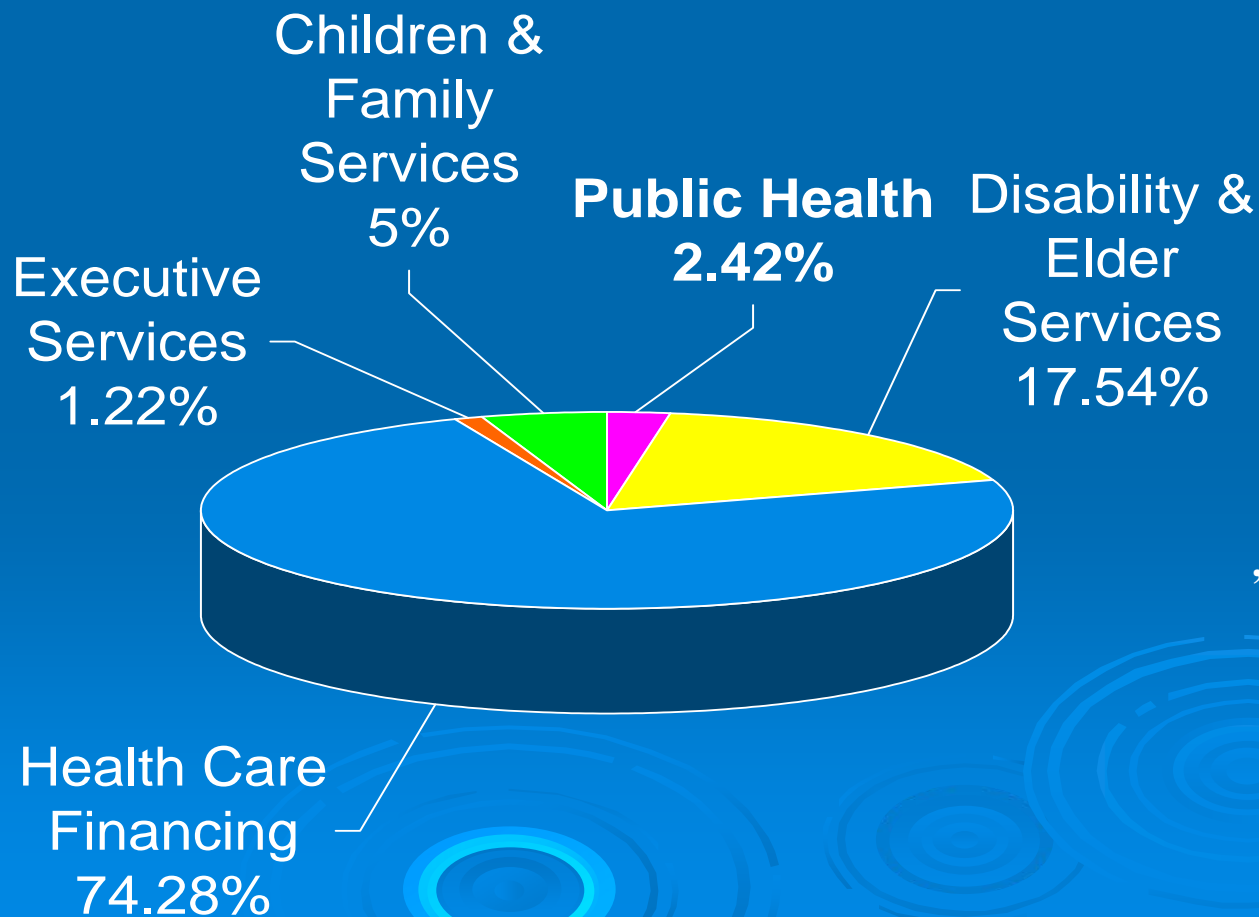


2005-07 DHFS Budget by Expenditure Type

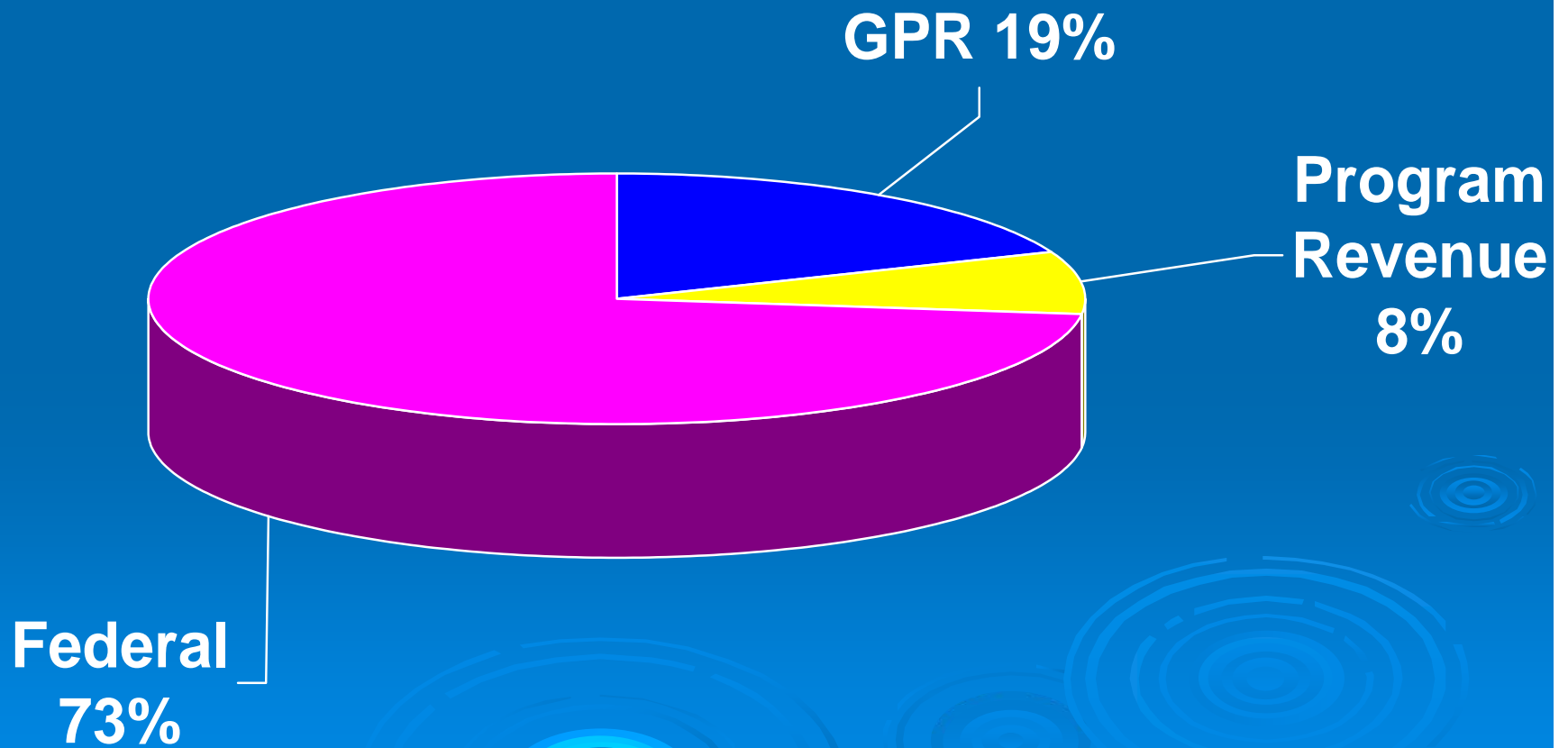
(Total Budget = \$6.07 billion)



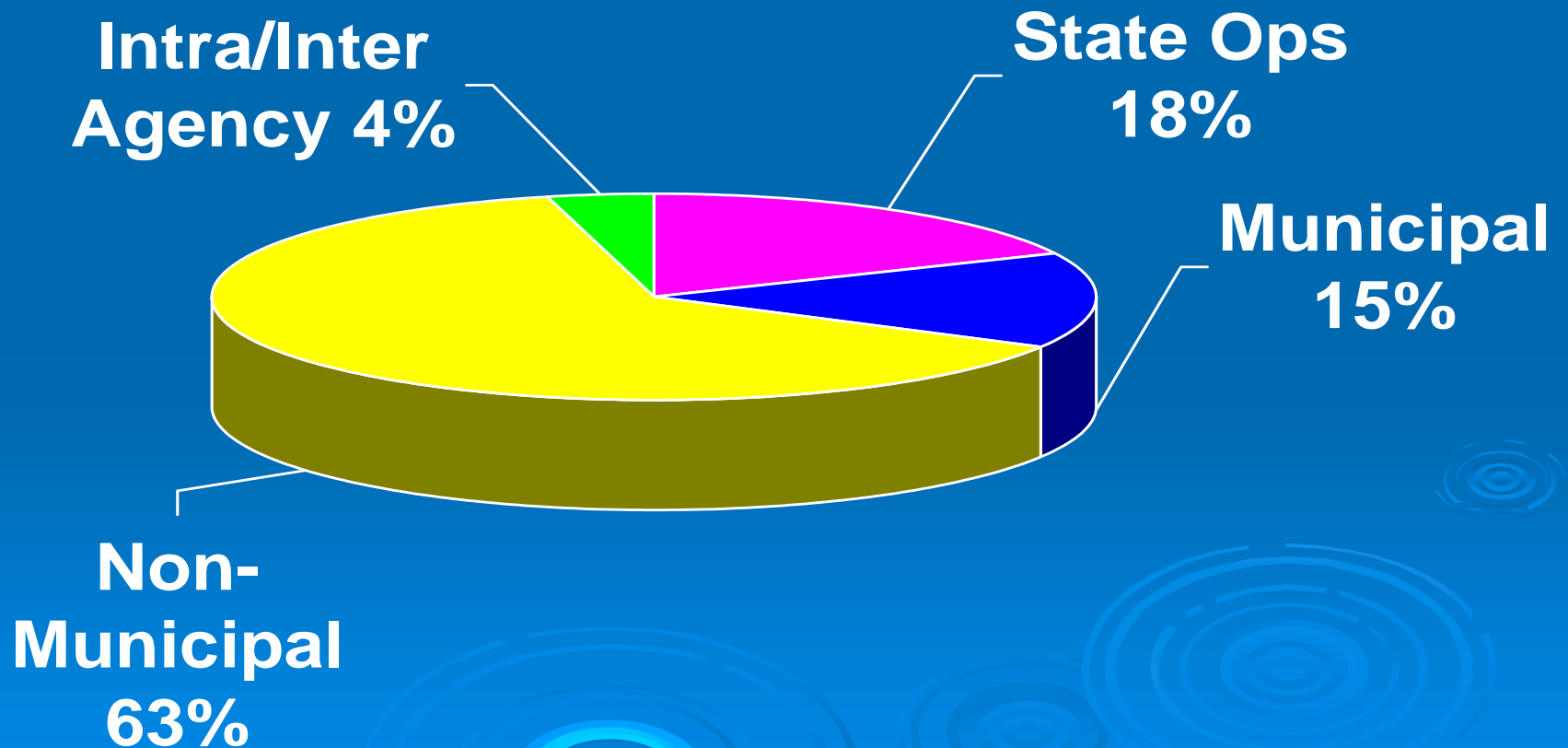
2005-07 DHFS Total Budget by Division (Total Budget = \$6.07 billion)



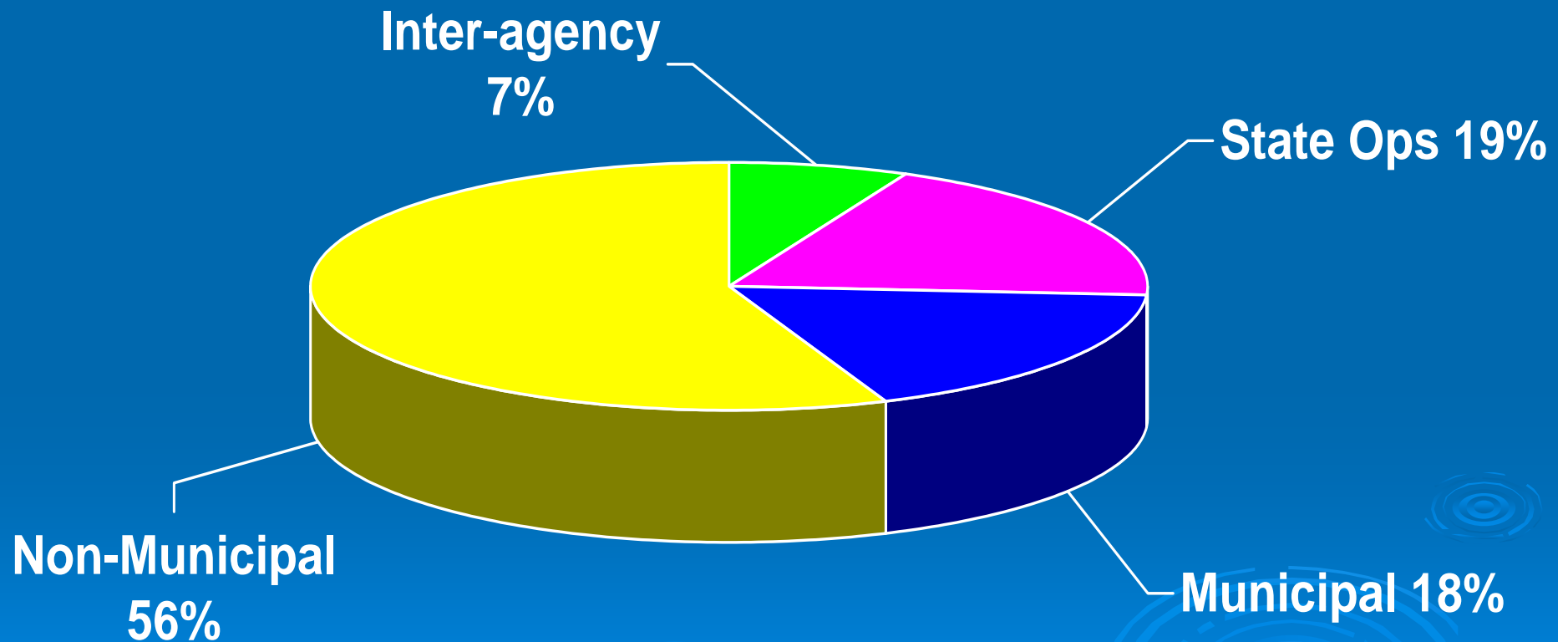
Division of Public Health SFY 06 by Funding Source (Total Budget = \$157 Million)



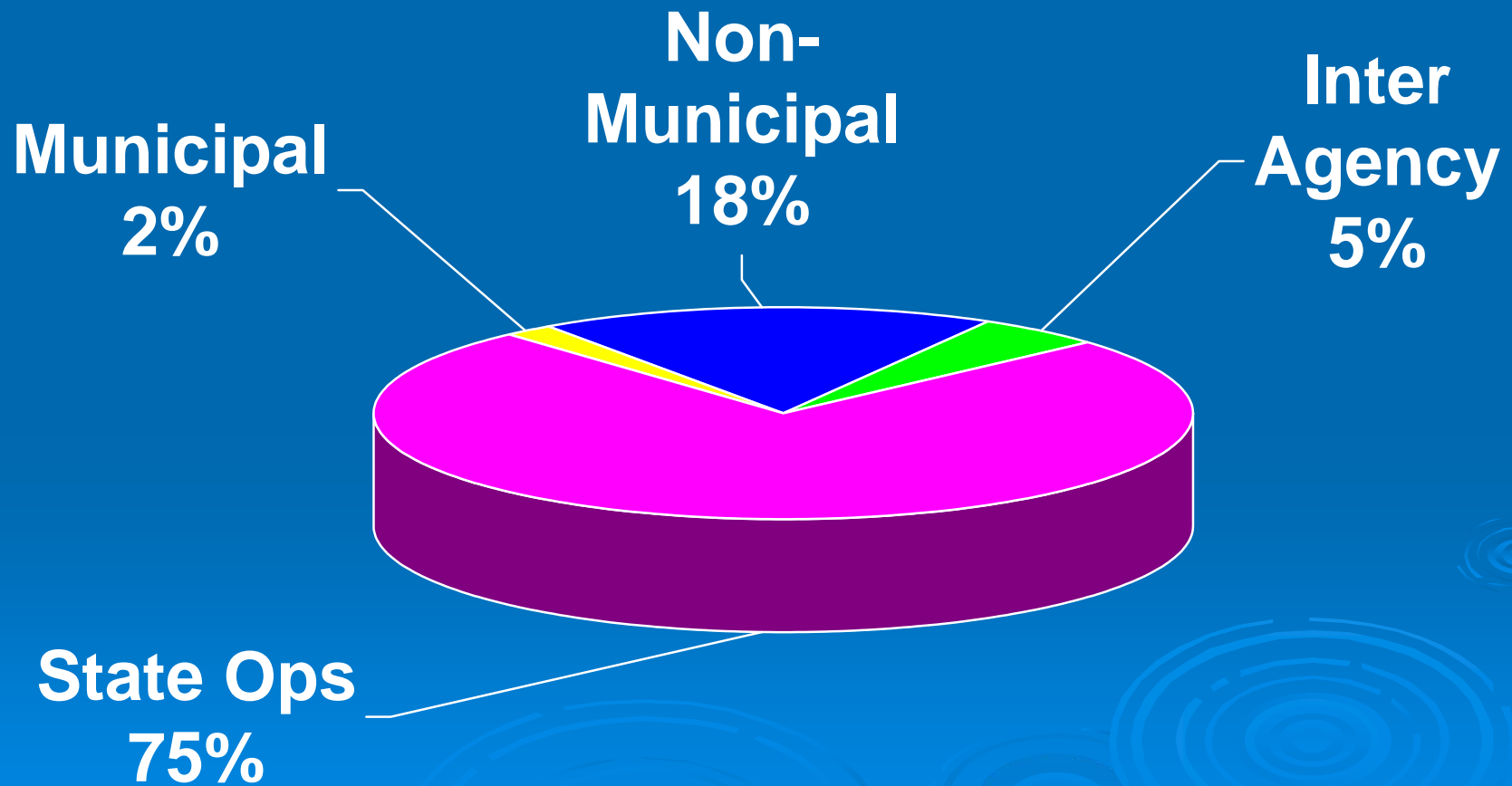
Division of Public Health Allocation of GPR Funds



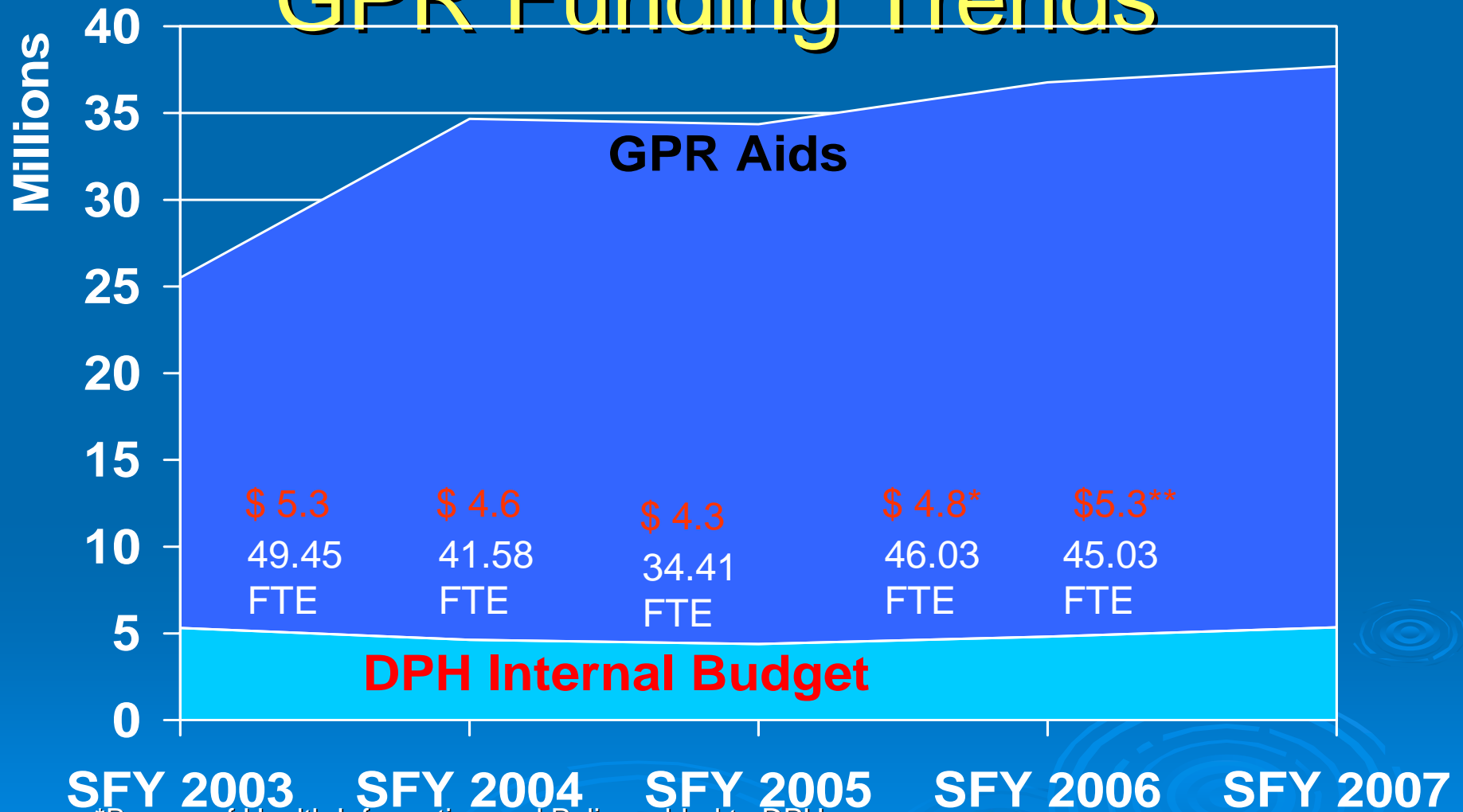
Division of Public Health Allocation of Federal Funds



Division of Public Health Allocation of Program Revenue & Other Funds



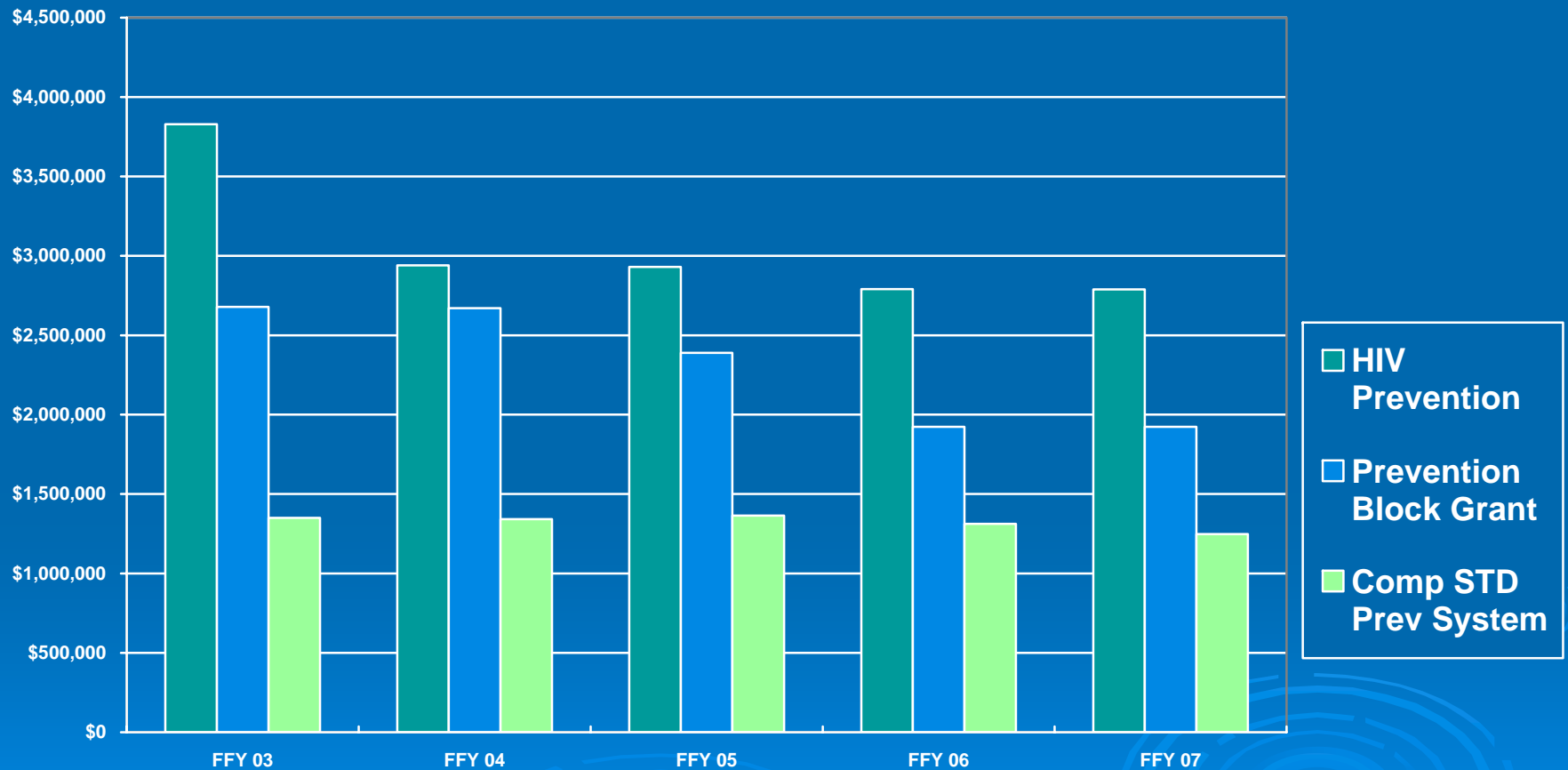
Division of Public Health GPR Funding Trends



*Bureau of Health Information and Policy added to DPH

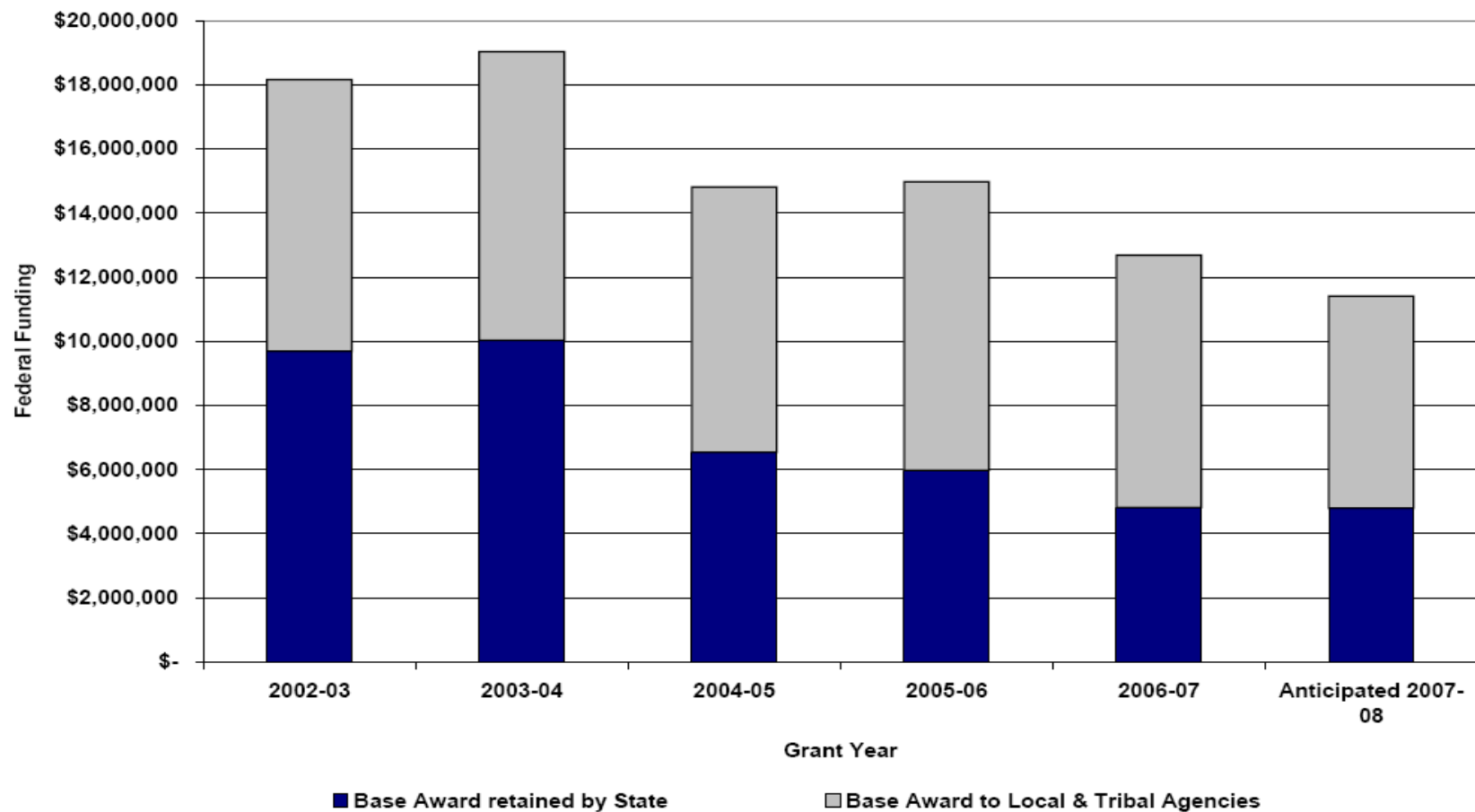
**Additional \$554,400 GPR for Statewide Trauma System - all \$ contracted to Partners

Examples of Federal Grant Funding

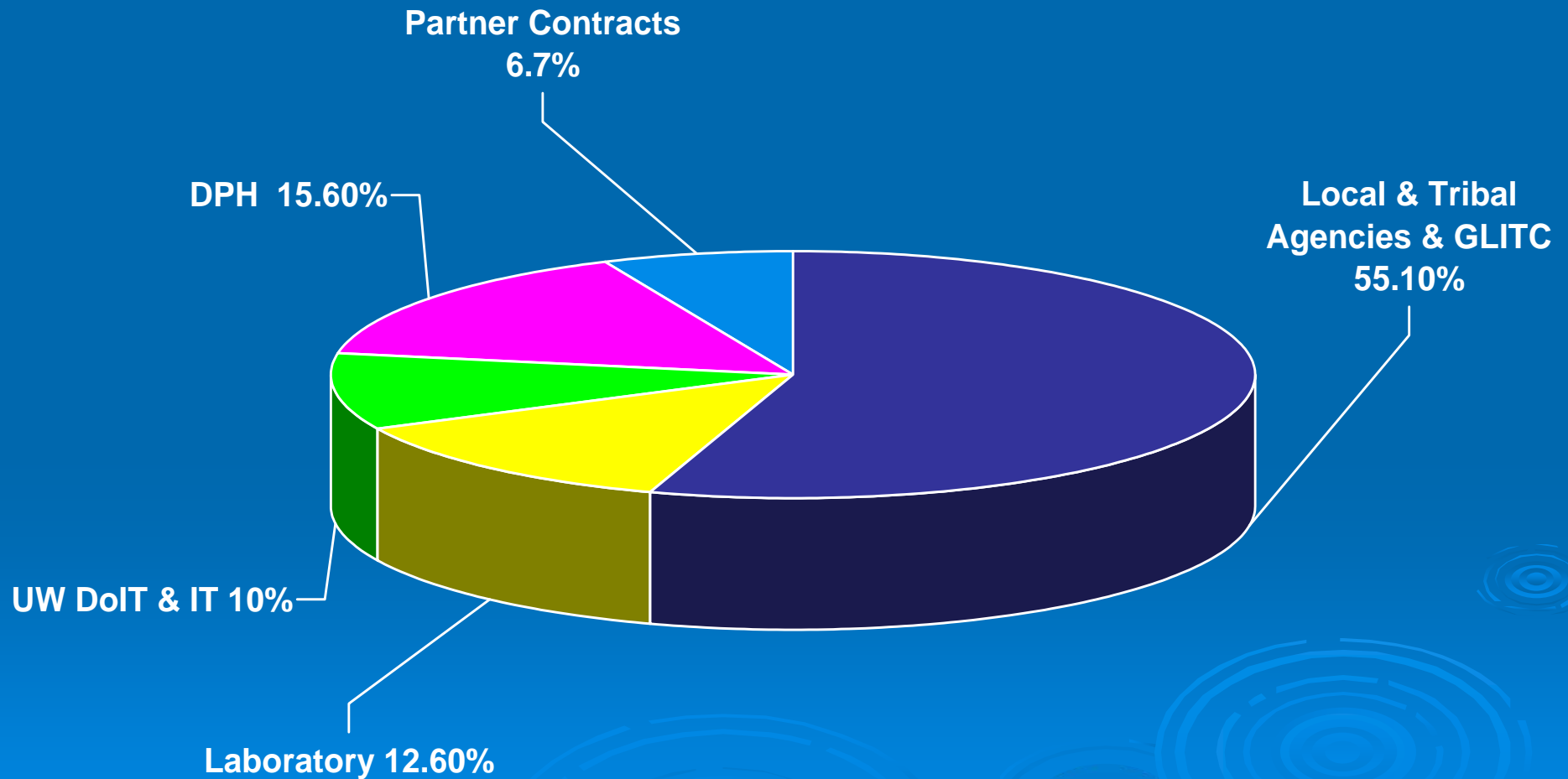


Public Health Preparedness Grant funding

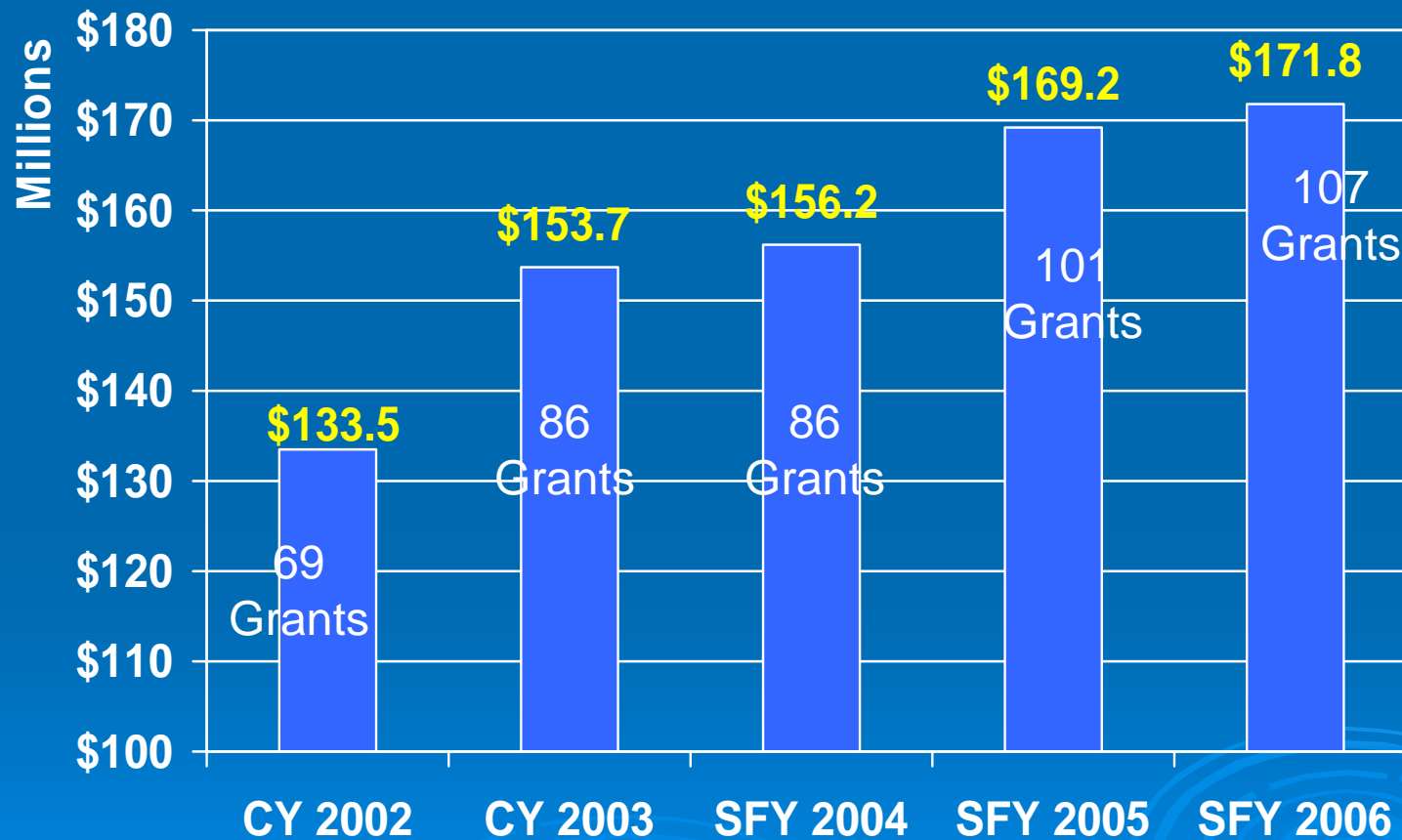
Public Health Preparedness Base Award Funding



Public Health Preparedness Funding 2002-07



Division of Public Health Grant Funding



Public Health Return on Investment



Obesity Epidemic in WI

- **22%** Adults eating at least 5 servings of fruits & vegetables per day
- **55%** Adults meeting minimum activity level
- **61%** overweight or obese

*Source: Behavioral Risk Factor Surveillance Survey, 2005. Centers for Disease Control and Prevention

Cost of Treating Obesity

National cost

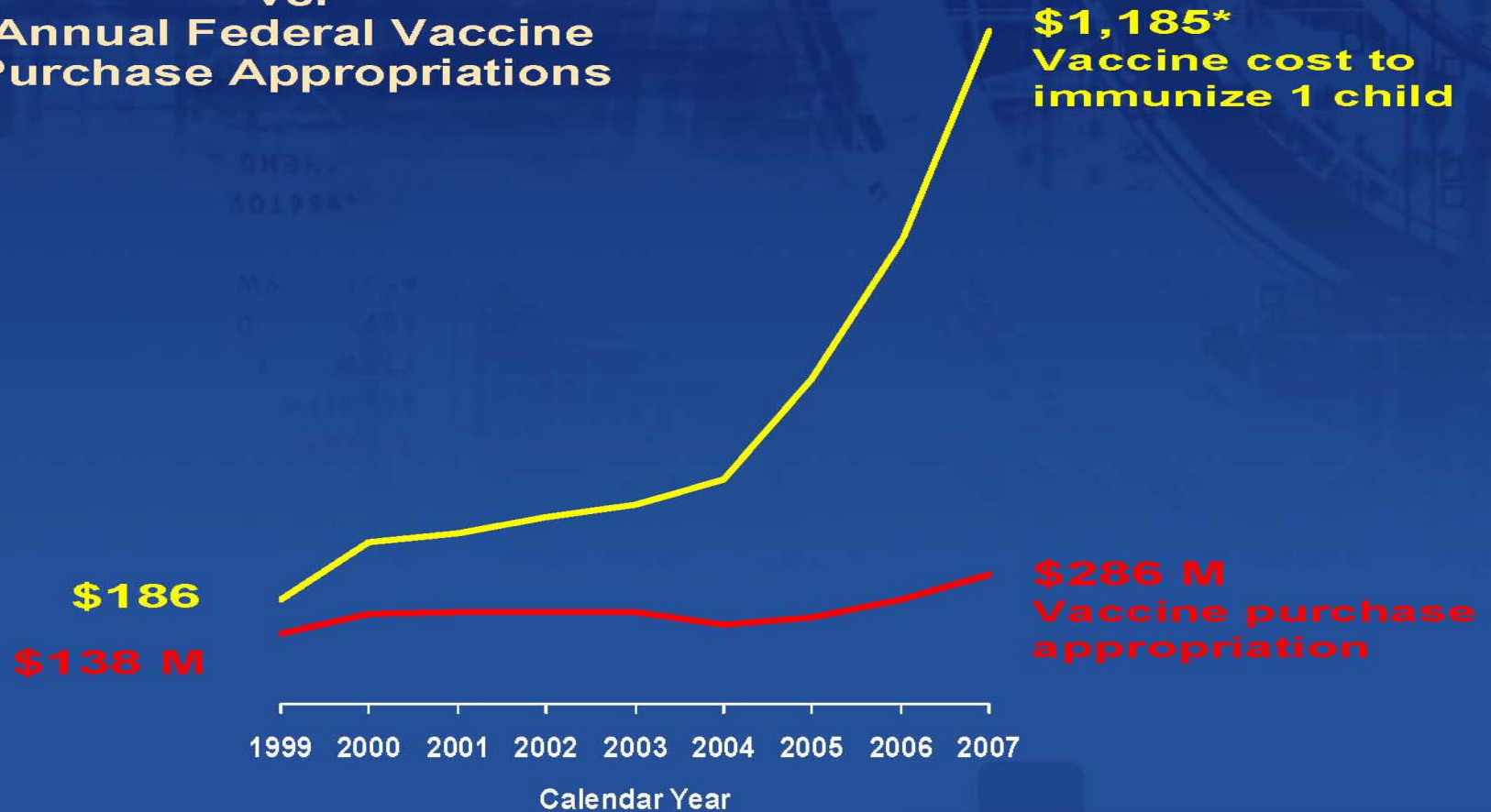
= **\$77 billion per year**

Wisconsin's share

= **\$1.4 billion per year**

*Source: "An Ounce of Prevention: What Can Policymakers Do About the Obesity Epidemic?"
Wisconsin Public Health & Health Policy Institute. 2003

Cost of Vaccines to Immunize 1 Child vs. Annual Federal Vaccine Purchase Appropriations



* This figure represents the cost to fully vaccinate a female; the cost to fully vaccinate a male is \$894 since males do not receive the HPV vaccine

Tobacco Use & Secondhand Smoke

Every year in WI,

- over 8,000 tobacco-related deaths
- \$2.16 billion in direct health care costs
- Significant lost productivity

*Source: "2006 Burden of Tobacco Report." American Cancer Society

Public Health is the Answer

Programs and policies to prevent and reduce the number of people who smoke cigarettes and use tobacco are the most effective way to eliminate this burden.

*Source: "2006 Burden of Tobacco Report." American Cancer Society

Challenges

- Public Health Spending: WI
low per capita: \$79/person*
- Health Care Costs: USA
high per capita: \$7,498/person**

*Source: "America's Health Rankings 2006." United Health Foundation

**Source: Journal of Health Affairs. Published online 2/21/07

Good News

- WI 10th Healthiest State in Nation - 2006
- Improvement from 13th - 2005

*Source: "America's Health Rankings 2006." United Health Foundation

Governor's Proposed 2007-09 Budget Highlights



BadgerCarePlus (BC+)

- Provides access to affordable health care for all children
- In addition to all children, expands eligibility to other new populations:
 - Youth (aged 18 through 20) aging out of foster care
 - Pregnant women from 185-300% federal poverty level (FPL)
 - Caretaker relatives up to 200% FPL
 - Parents with children in foster care up to 200% FPL
 - Farmers and other self-employed individuals up to 200% FPL, contingent on depreciation calculations

BadgerCarePlus (continued)

- Streamlines eligibility
- Promotes prevention and healthy behavior
- Establishes benchmark plan for majority of expansion populations
- Budget neutral: funded through greater use of managed care, administrative savings, and a new co-pay and premium structure
- Requires federal approval
- Target implementation date: Jan. 2008

Public Health

Smoking Prevention and Cessation:

- Increase tobacco tax by \$1.25/pack
- Additional \$20 million/year funding + current \$10 million base = \$30 million/year
- To increase smoking prevention and cessation efforts

Public Health (continued)

- MA Family Planning Waiver for Males
- Vital Records Automation
 - Federally mandated
 - Vital Record Fees are increased: fee revenue used to fund automation, increased child abuse and AODA prevention services, increased domestic abuse services, and provide add'l funding to counties
- AIDS/HIV Program:
 - Fully funds projected caseload in Drug Assistance Program
 - Enroll eligible individuals from AIDS Drug Assistance Program to HIRSP, use savings generated to increase funding to life care services