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Poll Finds Strong Voter Support for Hospital Assessment *Business organizations WMC and MMAC also back proposal*

MADISON (March 18, 2008) ---- A recent poll of 400 likely voters from across the state finds that 75 percent support a proposed hospital assessment if used to capture hundreds of millions in federal revenues, increase payments to hospitals to help care for the poor and uninsured and provide funding for health care programs (the text of the question appears below). In other words, by a margin of nearly four to one, Wisconsin voters support the hospital assessment similar to that recently proposed by Governor Doyle.

“Clearly, when people understand the benefits of the hospital assessment it makes sense,” said Ken Buser, president and CEO of WFH-All Saints in Racine and chair of the WHA Board of Directors. “WHA agrees, and believes it is time to move beyond the notion that this is just another ‘tax’ and get this done in a bipartisan way.”

Of those polled who said they usually vote Republican, more than half supported the assessment. Of those who said they vote equally for Republicans and Democrats, an overwhelming 87 percent said they support the assessment. Support was strong in all regions of the state and only 19 percent of all respondents opposed the idea.

The Checkpoint Survey poll was conducted between February 26 and March 2, 2008 by Wood Communications of Madison and has a margin of error of +/- 5 percent. The results are available on WHA’s Web site at: www.wha.org.

The poll’s release comes on the heels of two major endorsements of the hospital assessment. The Wisconsin Manufacturers & Commerce (WMC) and the Metropolitan Milwaukee Association of Commerce (MMAC) both announced last week they will support the proposal as a way to capture more federal dollars for Wisconsin and begin alleviating the impact of Medicaid cost shifting.

Medicaid is the state/federal health care program for the poor and uninsured. Hospitals take care of all Medicaid patients who walk through their doors, yet they have not received an increase in what they are paid to treat these patients in over a decade. According to WHA, the state now pays hospitals about 48 cents for every dollar they spend treating Medicaid patients. As a result, over \$600 million in unpaid costs (not charges) are annually shifted to everyone else. Under the proposal offered by Governor Doyle and backed by WHA, WMC and MMAC, a good portion of this “cost shift” could be addressed.

According to the non-partisan Legislative Fiscal Bureau, hospitals would be assessed a total of \$416 million over two years. About \$125 million from the assessment would be used to support the state's Medicaid and BadgerCare programs, with the rest being used to capture hundreds of millions of federal dollars and boost Medicaid payments to hospitals. When combined, \$708 million would flow back to hospitals via higher Medicaid payments--\$292 million more than the assessment over two years. Senate Democrats have offered a similar proposal.

Like other groups, WHA had opposed the original version of the hospital assessment introduced in February 2007. But last fall, after negotiating key amendments that will ensure the funding goes for its intended purpose, WHA changed its position to support.

"We commend WMC and MMAC for taking a fresh look at the reworked proposal, understanding the actual benefits, and now backing it," said WHA President Steve Brenton. "Both groups represent major employers in Wisconsin and recognize that the time has come to finally do something about Medicaid cost-shifting."

WHA believes the new poll, coupled with the support of major business groups, shows that there is widespread support for the plan and that it can and should be approved by the Legislature.

"We hope this will take the debate in a new direction, and we want to reach out and work with legislative leaders on both sides of the aisle to try to address any concerns and make this a 'win-win' proposal," said Eric Borgerding, WHA's executive vice president. "The hospital assessment can help us finally begin to reduce cost-shifting, make a considerable dent in one of the major cost drivers in health care, and result in a solution to our budget deficit without cutting Medicaid, BadgerCare or other safety net health care programs."

Poll Question

"Currently, Wisconsin hospitals are not receiving adequate payments from the state or federal government to offset the cost of caring for our poor and uninsured patients, and these costs are eventually shifted to all of us in the form of increased health care costs.

There is a proposal in the state Legislature to assess Wisconsin hospitals on their gross revenue. The federal government would match the funds received from this assessment and the state would gain an additional 410 million dollars in federal revenue. These funds would be used to increase payments to hospitals when they care for the poor and uninsured and help fund health care programs. Considering this information, how supportive of this legislative bill would you be?"

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