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## WHN Updates

### Editor's Note

In honor of the Fourth of July holiday, Wisconsin Health News will not publish its regular editions next week, July 4-8. We will resume our normal coverage Monday, July 11.

### On the Record with Bobby Peterson, Executive Director, ABC for Health

At 6'4", public interest attorney Bobby Peterson towers over most people. But don't let the height fool you. He's also one of the state's most passionate fighters for the little guy.

In 1994, the University of Wisconsin Law graduate founded ABC for Health, a nonprofit law firm that helps connect children and families with needed health care benefits and services. It's a role that has, at times, put him at odds with leadership. This year has been no exception.



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During the past six months, Peterson's been a vocal critic of many of Governor Scott Walker's policies - questioning leaders at meetings, testifying against rules, and even filing a notice of claim after the administration canceled a consumer assistance grant his organization would have helped run. It hasn't made Peterson many new friends in the east wing, but that doesn't appear to be holding him back. Wisconsin Health News recently caught up with Peterson to talk about the recently signed state budget, consumer assistance, and more.

Excerpts are below.

**WHN:** What stood out to you in the budget Governor Scott Walker signed this week?

**BP:** How quickly the Walker administration moved to make pretty profound changes in how care is delivered in the state of Wisconsin, both in Medicaid and laying the foundation for the private insurance market. In the budget, particularly as it relates to Medicaid, he's handed the keys over to [Department of Health Services Secretary] Dennis Smith, who is from Washington and probably won't be here a long time, to really retool our Medicaid program in ways that a lot of people are uncomfortable with.

**WHN:** ABC for Health has been a fierce critic of the new authority given to DHS to make almost \$500 million in cuts to Medicaid. Is this much different than what the previous administration did when it made \$600 million in cuts during the last budget?

**BP:** This one is a bigger unknown. Underpinning past administrations' plans, even going back to [former Governor] Tommy Thompson, there was recognition we need to provide coverage to people and expand coverage in certain areas. Otherwise, it was going to end up costing us more in the long run. And that's from cost shifting from people using the emergency room. By not having the appropriate care, their condition worsens, and it becomes a lot more expensive. With the Walker administration, and with Dennis Smith, it seems they don't fully appreciate, or understand, that cost shifting. They are proposing cuts that will be the redistribution and socialization of medical debt. For example, they are trying to save \$25 million by terminating people from Medicaid early. What's going to happen to that \$25 million? Does it just vanish? No, it becomes unpaid hospital bills that get shifted in the health care marketplace to everyone else that is paying.

**WHN:** Is this new authority legal?

**BP:** That's an open question. You elect a Legislature to make decisions. You don't elect Dennis Smith to make decisions that affect things that are in statute. That's not the way it works. That's not our system of government. That's not the system of checks and balances we have. A court could take a look at that and say it's an inappropriate delegation of legislative authority to an administrative agency.

**WHN:** Facing a tough budget, Governor Walker has invested more than \$1 billion in the state's Medicaid program. Do you think he deserves more credit than he's gotten for that?

**BP:** He had to politically. This is not just poor people. This is Grandma

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and Grandpa in a nursing home. This is people on Family Care. This is people on BadgerCare who were laid off or are still trying to find a job. These are cousins, neighbors, aunts, uncles, and friends. It affects a lot of people across Wisconsin.

**WHN:** Earlier this year, the Walker administration canceled a \$637,000 consumer assistance grant which ABC for Health would have helped run. Why do you think the grant was canceled?

**BP:** Pure politics. It's the influence of the insurance industry in the Walker administration. OCI was basically turned over to two insurance industry insiders. But, I don't think all insurance companies feel the same way. Some value that it's nice to have educated and informed consumers that know what their policies contain, know what their rights are, know how to appeal and how to correct mistakes without litigation. It doesn't have to be war.

**WHN:** OCI argues that a rule passed last year that would require insurance companies to increase the readability of their policies would be too costly to implement. Do you agree?

**BP:** Nonsense. The insurance industry is going through major changes right now. They are having to rewrite policies and provisions. Markets are realigning in some ways. This is not whole scale change. For them to say it's too expensive to write policies that are more understandable for their customers, what a bunch of nonsense. Another important provision in the rule that hasn't been talked about as much is providing information electronically to customers when they ask for it. Now, there are hoops and hurdles to just getting a complete copy of your policy. To be able to get it within five business days electronically would really speed up the process.

**WHN:** OCI announced details this week on how it is implementing a \$1 million federal health reform grant to enhance its rate review process. What are your thoughts on their plan?

**BP:** They had a long time to work on this, and to announce a flurry of activity that is going to be crammed into the last couple months during the middle of the summer, that's classic 'let's get something done when a lot of people aren't paying attention.' That's disappointing. Rate review is a critical issue. Demanding that it be transparent so that the consumer understands how rates are structured will go a long way to containing health care costs.

**Walker won't fight state smoking ban**

Governor Scott Walker says he won't try to fight the state's smoking ban. Walker was critical of the ban during the 2010 gubernatorial campaign, but has since changed his tune. The ban celebrates its one year anniversary July 5.

"Although I did not support the original smoking ban, after listening to people across the state, it is clear to me that it works," Walker said in a statement released yesterday. "Therefore I will not support a repeal."

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