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PRESS RELEASE FOR IMMEDIATE RELEASE

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Over \$600 Million in Public Health Funding at Stake

Madison, WI – "The system for distributing over \$600 million of the Blue Cross-Blue Shield conversion fund needs reform," said Bobby Peterson, public interest attorney and Executive Director of ABC for Health, Inc (ABC)¹. Peterson has been active in encouraging expanded oversight of the more than \$600 million entrusted to Wisconsin's two medical schools for the express purpose of supporting public health in Wisconsin. "The conversion funds belong to the people of Wisconsin," says Peterson. "The medical schools are trustees of over \$600 million in public funds, meant to improve Wisconsin's public health." In fact, a recent <u>Legislative Audit Bureau (LAB) Report</u> suggests the medical schools periodically use the funds to benefit their own institutions, rather than the public's health.

The Wisconsin United for Health Foundation (WUHF) will meet in Madison on July 15th at 1:15 pm at the Concourse Hotel to discuss that LAB report, titled "Review of Selected Projects: Medical Education, Research, and Public Health Grants." ABC for Health, together with representatives from Disability Rights Wisconsin and Citizen Action of Wisconsin, presented a series of four issue papers in advance of the July 15 meeting. The issue papers highlight what Peterson describes as "common sense examples of where oversight, enforcement would greatly benefit the people of Wisconsin." Issue papers tackle 1.) The distribution of funds out of the Blue Cross Blue Shield Fund conversion funds (held in endowment by Wisconsin's two medical schools) to medical research and education in greater percentage (65%) than to public health and community organizations working on public health (35%); 2.) Misdirection of funds; 3.) Conflicts of interest and non-competitively awarded grants; and 4.) Supplanting problems where other funding may have supported funded projects. Each paper also highlights detailed problems brought to light by the LAB report and proposes solutions that would allow a more fair and efficient distribution of the funds.

ABC for Health produced a webcast on this topic available to the media and the public at this link: http://96.60.62.171/mediasiteabc/Viewer/?peid=c3d7d3ab0bcd444ca68d6ef2560ab773. "In 2004 the schools asked for our trust in managing these funds and look at how they delivered. We need a change in oversight," noted Peterson.

¹ ABC for Health, Inc. is a Wisconsin-based, nonprofit, public interest law firm dedicated to linking children and families, particularly those with special health care needs, to health care benefits and services. Citizen Action of Wisconsin is an issue-focused coalition of individuals and organizations committed to achieving social, economic, and environmental justice and Disability Rights Wisconsin is a private nonprofit organization designated by the Governor to ensure the rights of all state citizens with disabilities through individual advocacy and system change.

