August 6, 2015

Joe Chrisman
State Auditor
Wisconsin State Legislature
Legislative Audit Bureau
22 E. Mifflin Street, Suite 500
Madison, WI 53703

Dear Mr. Chrisman:

On behalf of the UW School of Medicine and Public Health, I want to thank you for the opportunity to respond to the Legislative Audit Bureau’s comprehensive program and financial audits of the Wisconsin Partnership Program. Our response includes: background information, an update on our strategic initiatives addressing obesity prevention and infant mortality disparities, future directions, and our response to the audit findings and recommendations.

BACKGROUND

One of the most valued bedrock principles of the University of Wisconsin is the Wisconsin Idea—that the UW educational system influences people’s lives beyond the boundaries of the classroom. At the University of Wisconsin School of Medicine and Public Health (UW SMPH), this principle is paramount in guiding its mission, vision and values. The Wisconsin Partnership Program’s (WPP’s) efforts are similarly focused with a reach far beyond classrooms and research laboratories in support of the school’s mission with the overall goal of improving the health of the people and communities in our state.

The WPP endowment, created in 2004 when Blue Cross & Blue Shield United of Wisconsin converted to a stock insurance corporation, provides resources that enable the school, in partnership with communities across our state, to tackle some of our most challenging health issues. Since its inception in 2004, the WPP—through the Oversight and Advisory Committee (OAC) and the Partnership Education and Research Committee (PERC)—has awarded approximately $175 million in support of community-academic partnerships; innovative education and training for students, fellows and the public health workforce; as well as basic, clinical, translational and applied public health research. WPP grantees have been remarkably successful in competing for additional funding to continue their projects with over $258 million leveraged through federal and state funding and foundation support.

The Wisconsin Partnership Program—exemplified through grant programs such as those highlighted below—impacts the health, well-being and health equity of Wisconsin communities in the following ways:

Innovation through new collaborations and partnerships
- Survey of the Health of Wisconsin
- Wisconsin Obesity Prevention Initiative
- Implementing the Healthy Activities Partnership Program for Latino Youth

Development of new educational models uniting public health and medicine
- Master of Public Health Program
- Transforming Medical Education
- Wisconsin Academy for Rural Medicine

Creation of research and discovery
- Genetic Susceptibility to Infection in Wisconsin Hmong
- Personalizing Therapy of Women with Polyploid Breast Cancers
- Exploring Cross-Species Transmission of Influenza Virus
Translation and dissemination of knowledge

- Institute for Clinical and Translational Research
- Cultivating Childhood Wellness through Gardening: The Wisconsin School Garden Initiative
- Bringing Health Aging to Scale: Improving Capacity to Implement and Sustain Evidence-Based Prevention Programs for Older Adults

Expansion of community capacity to address health challenges

- Healthy Wisconsin Leadership Institute
- Wisconsin Population Health Service Fellowship
- Wisconsin Health Equity Alliance: Driving Policy Change to Improve Health in Wisconsin

JOINT FUNDING FOR GREATER IMPACT

Bringing together the resources of the OAC and the PERC is a priority of both committees and reflects their shared purpose to improve health and reduce health disparities. Each committee brings a different perspective and approach to the state’s most challenging health issues. To date, the OAC and the PERC have funded two strategic initiatives: the Lifecourse Initiative for Healthy Families and the Wisconsin Obesity Prevention Initiative.

Lifecourse Initiative for Healthy Families

In 2009, the OAC established the Lifecourse Initiative for Healthy Families to address the dramatic disparities in birth outcomes for African Americans in Beloit, Kenosha, Milwaukee and Racine, which account for 90 percent of African-American infant deaths in Wisconsin. The “lifecourse” perspective holds that the stresses an individual encounters through environmental factors, economic conditions, societal problems and personal circumstances have lasting implications and impact on health. Through this initiative, community collaboratives in each of the cities seek to improve African American birth outcomes by improving health care and strengthening families and communities by addressing social and economic inequities. The PERC became the OAC’s partner in advancing the Lifecourse Initiative through the appointment of a maternal and child health expert, Deborah Ehrenthal, MD, MPH, associate professor of obstetrics and gynecology and population health. Dr. Ehrenthal provides faculty leadership, bringing together health care providers and public health leaders, and engaging community leaders and other stakeholders in a coordinated effort through research, education and community partnerships.

Wisconsin Obesity Prevention Initiative

In 2013, the PERC began planning a new targeted initiative to address obesity prevention and in 2014 launched the Wisconsin Obesity Prevention Initiative. PERC funding supports the infrastructure needed to build strategic alignment among government entities, communities, researchers, advocates, non-profit organizations and businesses already working on this issue. Funding is also being used to develop a childhood obesity surveillance system and create statewide messaging. Alexandra Adams, MD, professor of family medicine, is the grant’s principal investigator and leads a team of faculty and community investigators. In collaboration with health officials in Marathon and Menominee counties, researchers are using complementary funding from the OAC to test and implement a community-based model for childhood obesity prevention.

Lessons learned through both the Lifecourse and Obesity Prevention initiatives have informed approaches that now help guide how the WPP makes awards through its other grant making practices.

FUTURE DIRECTIONS

Learning from WPP-funded programs that have successfully led to policy, systems and environmental change, the WPP has become more strategic with regard to grant-making—requiring community-academic partnerships to come to the table with more developed ideas, collaborations and capacity. This will offer a stronger opportunity to effectively address large scale health challenges and have a sustained impact on health, well-being and health equity.

With the implementation of the 2014-2019 Five-Year Plan, the WPP through the OAC has shifted its focus from funding individual programs implemented by single organizations, toward supporting robust, collaborative, evidence-based efforts that have greater promise for sustainable impact in addressing our state’s entrenched public health problems.
The Legislative Audit Bureau (LAB) report shows the WPP has generally complied with the requirements established for awarding and monitoring grant funds and the audit found no evidence of supplanting. The report indicated:

- Grantees generally complied with program requirements. For example, all of the required progress reports from the 20 projects selected for review had been submitted and included all required materials.
- In response to the recommendation in the LAB’s 2010 report, the WPP took steps to ensure that all project proposals included clear and specific objectives. All 20 projects reviewed by the LAB submitted all required application materials and had clear and specific objectives.
- All 20 grantees interviewed expressed satisfaction with their experiences interacting with the WPP staff. Principal investigators indicated that the PERC members were productively engaged in the application and award process. Primary community and academic partners described the application and reporting processes as straightforward and easy to understand.
- In response to the LAB's 2010 report, the WPP requires grantees to discuss proposed changes prior to modifying a project’s work plan. All OAC and PERC projects which made changes had received formal prior approval.

**Legislative Audit Bureau Recommendations**

**LAB Report:** We recommend the Wisconsin United for Health Foundation, Inc. consider:

- The extent to which its meetings serve as public forums to receive comments on the Medical College of Wisconsin (MCW) and UW endowment programs that would not otherwise be available to interested organizations and individuals;
- The value added to the endowment programs through the Foundation’s involvement as an external observer, including the value of raising questions with MCW and UW officials; and
- The relative impact the dissolution of the Foundation would have on the financial status of the endowment programs compared with the ongoing value that would be provided through its continued operation.

**Response:** The Wisconsin United for Health Foundation, Inc. (WUHF) has served an important role in the development of the WPP through its advice and counsel during the Program’s evolution.

**LAB Report:** We recommend that the UW School of Medicine and Public Health:

- Annually communicate to all grantees in writing that indirect costs should not be claimed and are not eligible for reimbursement;
- Enhance its efforts in reviewing claims for reimbursement to ensure that it does not provide reimbursement for indirect costs; and
- Work to help ensure documentation remains available for at least five years after the submission of a final invoice for grant expenditures made by organizations that dissolve or merge with other organizations.

**Response:** The WPP has already taken steps to implement these recommendations. It has been the practice of the WPP to hold an orientation meeting with each grantee to review the grant requirements. Beginning in August 2015, we will institute a new requirement that all grantees meet separately with our accountant to focus exclusively on financial policies, budgeting and reporting requirements; this will complement the standard orientation meetings with program officers. The LAB-mentioned recommendations regarding indirect costs, financial status reports, and document retention will be specific agenda items addressed at each of these meetings, along with other program requirements.

The WPP recently extended the period of time for records retention by grantees from five to seven years. This change has been incorporated into our Memorandum of Understanding. Additionally, the WPP will institute a new requirement of grantees that they notify the Program prior to formal actions to dissolve or merge, whenever possible.

All grantees will also receive a formal document outlining and describing the WPP’s financial policies along with the Memorandum of Understanding. Moreover, the WPP will add a link on the Financial Status Report to our policy on allowable and non-allowable expenses.
In addition, the Program now requires grantees to submit general ledgers as well as invoices when requesting reimbursement. Our accountant is responsible for reviewing all ledgers and invoices to ensure claims are for allowable costs only.

**LAB Report:** We recommend that UW School of Medicine and Public Health electronically record all site visits that it conducts, as required by its policies.

**Response:** WPP staff are currently working with UW SMPH information technology specialists to update our grants management database to include a reporting section specific to program officer site visits.

**Items Requiring Clarification**

The Wisconsin Partnership Program would like to comment on the following items identified in the LAB Report.

- The UW SMPH will use non-state dollars to reimburse the WPP endowment $24,807—the total of the UW SMPH expenditures which were noted in the LAB Report as either inadequately documented or unallowable. It is important to note that of the 20 selected grants which totaled $22.8 million in expenditures, only $24,807 was noted to be either inadequately documented or unallowable. This amount totals only 0.1 percent of the expenditures reviewed.

- The UW SMPH would like to clarify that separate accounts are maintained for the 65 percent designated for medical education and research projects and the 35 percent designated for public health projects in accordance with the Insurance Commissioner’s Order. In any given year, the OAC or the PERC may award a greater percentage of awards, but the amount of funds available annually to each committee will remain 35/65. Over time, awards and actual expenditures will mirror the allocation percentages. To ensure understanding of the allocation of funds and the relationship to the 35/65 ratio, the WPP will include an explanation in future annual reports.

- The UW SMPH would like to clarify the LAB’s description of “competitive” vs. “noncompetitive grants” or “grants not requiring a competitive application.” Use of the term “noncompetitive” may create an incorrect assumption about proposals that are submitted in response to a request for application rather than a request for proposals. Such requested applications are in fact judged with the same rigor as the “competitive programs.” All PERC applicants, regardless of type of program, must complete a detailed application which includes the following:
  - Proposal abstract and a statement about the relevance of the project to improvements in health and health care, including alignment with the mission and vision of the WPP;
  - Detailed narrative on the specific aims, approaches, expected outcomes and evaluation methodology; and
  - Detailed budget along with a narrative describing the budget categories.

The application instructions list the programmatic requirements and include: eligibility, funding guidelines, scope of funding, review criteria, compliance documentation and expectations of successful applicants to submit reports, and compliance with the responsibilities as described in the Memorandum of Understanding.

Strategic proposals are subject to a rigorous review process. Each is judged separately by the PERC through an extensive application process, a formal presentation to the committee, questioning of the applicant, and, frequently, revisions to the application. Monitoring of these programs is equally rigorous, requiring annual progress and financial reports, along with an annual appearance before the committee.

Unfortunately, the term “noncompetitive” has a negative connotation when used to describe a grant application, i.e., it may be misinterpreted to mean an application is not worthy of funding. This is certainly not the case for the strategic grants awarded by the PERC due to the strategic importance and impact of these grants and the careful vetting and review of the strengths of grant applications. Strategic grants are competitive in the sense that awards are made only to those rated as highly meritorious proposals by peer review.
As the LAB Report indicates, the vast majority of grants that the OAC awards are in lock-step with external reviewers, as reviewers are carefully chosen for their expertise, experience and insight into a given proposal’s topic. In rare instances, the OAC will consider applications that are strong and meritorious, but were not the highest scored, in order to ensure that the WPP fulfills its promise to invest in a diverse and balanced public health portfolio. However, in these instances, WPP staff agree that the committee’s deliberations should be sufficiently detailed such that anyone interested can fully understand the basis of this decision. Extra care will be taken in future meetings to allow for this transparency in the minutes.

Community-academic partnerships have always been and will continue to be an essential element of the WPP’s funding priorities. It is from joint collaboration—both community-based and university expertise—that significant evidence-based results and far-reaching impacts emerge.

Funding that supports the academic side of the community-academic partnership is discussed and determined collaboratively. When asked by community organizations or academic partners, “What percentage support should we allocate for the academic components of the budget?” WPP staff respond that this determination is dependent on the needs of the proposed initiative and the agreements made about the funding necessary to support the work.

Some of the salaries and fringe benefits of UW faculty and staff are related to core programming supported by the WPP, such as the Healthy Wisconsin Leadership Institute (HWLI) and the Population Health Service Fellowship program. The HWLI mission is to build the leadership capacity and public health skills of local Wisconsin communities across the state. Their small staff works hand-in-hand with communities, providing them with accessible public and community health leadership training, and education and technical assistance to support local agendas for community health improvement at no cost.

The Population Health Service Fellowship program extends the school’s reach beyond campus by placing early-career public health professionals in local communities at no cost to the organization to address a wide range of challenging health issues. More than 30 local and state health departments and community organizations across Wisconsin have benefitted from the contributions of 50 fellows since the program began in 2004. The OAC offers communities “direct assistance” by assigning Population Health Fellows to statewide and community-based agencies. Direct assistance is a financial assistance mechanism that is primarily used to support payroll and travel expenses of UW employees assigned to state, tribal, local and other community-based agencies. This form of assistance is modeled after the Centers for Disease Control and Prevention’s program of direct assistance in lieu of grants.

CONCLUDING REMARKS
We appreciate the opportunity to respond to the audit report, and we agree with the LAB’s recommendations for improvement. As noted above, we have already started to incorporate these recommendations into our work process. They will be important to the continuing evolution of the Program and will strengthen commitment to our stewardship responsibility.

The Wisconsin Partnership Program provides an extraordinary opportunity for bridging the expertise of community organizations with that of the university to benefit communities across the state. Together, in partnership with communities and the Medical College of Wisconsin, we can make a difference in the lives of the people of Wisconsin.

Sincerely,

Robert N. Golden, MD
Robert Turell Professor in Medical Leadership
Dean, School of Medicine and Public Health
Vice Chancellor for Medical Affairs

cc: Paul Stuiber, Deputy State Auditor