



**WISCONSIN LEGISLATIVE AUDIT BUREAU  
LETTER OF TRANSMITTAL**

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**March 26, 1999**

**Senator Gary R. George and  
Representative Carol Kelso, Co-chairpersons  
Joint Legislative Audit Committee  
State Capitol  
Madison, Wisconsin 53702**

**Dear Senator George and Representative Kelso:**

**As required by s. 13.94(1)(dg), Wis. Stats., we have completed a limited-scope fiscal and compliance review of the fiscal year (FY) 1997-98 dental clinics grant provided by the Department of Health and Family Services (DHFS) to the Marquette University School of Dentistry. Under this grant, Marquette University received state funding of \$2.8 million in FY 1997-98 to provide dental services to low-income individuals at clinics in the City of Milwaukee, Waushara County, Monroe County, and correctional centers in Milwaukee County.**

**Overall, we found Marquette University has developed and implemented adequate procedures to help ensure compliance with statutory and grant requirements. In addition, we found the state funds were expended for services normally considered a part of comprehensive general dental treatments.**

**However, the Marquette Dental School has operated with an annual deficit since 1990. To avoid a reduction in dental services at the clinics, the Legislature increased annual state funding from \$2.3 million in FY 1996-97 to \$2.8 million in FY 1997-98. With additional state funding, the dental clinics' deficit, which was \$1.3 million in FY 1996-97, was reduced to approximately \$468,000 in FY 1997-98.**

**While dental services are generally not allowable under the Medicare program, a federally approved Medicare Waiver program allows Marquette Dental School clinics to be reimbursed for dental services provided to Medicare recipients. A large portion of the annual clinics' deficit can be attributed to the Medicare Waiver program. For example, according to Marquette University staff, the FY 1997-98 dental clinic costs for this program exceeded the amount billed by \$452,200. Therefore, future deficit amounts may be further reduced when the federal government terminates this program on December 31, 2000.**

**We appreciate the courtesy and cooperation extended to us by the Marquette University staff during our review.**

**Respectfully submitted,**

**Janice Mueller**

**State Auditor**

**JM/JG/ao**

**cc:**

**Senator Judith Robson**

**Senator Brian Burke**

**Senator Peggy Rosenzweig**

**Senator Mary Lazich**

**Joseph Leean, Secretary**

**Department of Health and Family Services**

**Mike Lederer, Comptroller**

**Marquette University**

**Representative Stephen Nass**

**Representative John Gard**

**Representative Robert  
Ziegelbauer**

**Representative David Cullen**

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