

**SENATE HEARING SLIP**

(Please Print Plainly)

DATE: 12/15/99

BILL NO. CR 99-113  
OR

SUBJECT \_\_\_\_\_

\_\_\_\_\_  
(Street Address or Route Number)

\_\_\_\_\_  
(City and Zip Code)

\_\_\_\_\_  
(Representing)

Speaking in Favor:

Speaking Against:

Registering in Favor:  
but not speaking:

Registering Against:  
but not speaking:

Speaking for information  
only; Neither for nor against:

Please return this slip to a messenger PROMPTLY.

Senate Sergeant-At-Arms  
State Capitol - B35 South  
P.O.Box 7882  
Madison, WI 53707-7882

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KEVIN LEWIS  
(NAME)

ANGELA DOUBROWICKI  
(NAME)

JOE LEVAN, SECRETARY  
(NAME)

DIRECTOR, BUREAU OF  
(Street Address or Route Number)

DAFS  
(Representing)

MAKED HEALTH CARE PROGRAMS  
(City and Zip Code)

DAFS  
(Representing)

DAFS  
(Representing)

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DATE: 12-15-99

BILL NO. CR 99-113

SUBJECT \_\_\_\_\_

David Ogden

(NAME) Millman & Robertson

15800 Blummond Rd.

(Street Address or Route Number)

Brookfield 53005

(City and Zip Code)

Dept of Health and Family Services

(Representing)

Speaking in Favor:

Speaking Against:

Registering in Favor:

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Registering Against:

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**SENATE HEARING SLIP**

(Please Print Plainly)

DATE: Dec 15 1999

BILL NO. CR 99-113

SUBJECT HRSR

Mary Hattenbuhl

(NAME)

4222 Baerley Pkwy

(Street Address or Route Number)

Madison WI

(City and Zip Code)

Wisconsin Health Plan

(Representing)

Speaking in Favor:

Speaking Against:

Registering in Favor:

but not speaking:

Registering Against:

but not speaking:

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Madison, WI 53707-7882

**SENATE HEARING SLIP**

(Please Print Plainly)

DATE: Dec. 15, 99

BILL NO. CR 99-113

SUBJECT HRSR RULE

ROBERT T. WOOD

(NAME)

600 HAMICTON

(Street Address or Route Number)

STOUTENON, WI 53589

(City and Zip Code)

(Representing)

Speaking in Favor:

Speaking Against:

Registering in Favor:

but not speaking:

Registering Against:

but not speaking:

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P.O.Box 7882  
Madison, WI 53707-7882



**Judith B. Robson**  
Wisconsin State Senator

15th  
1st  
BIM  
post  
senders

November 15, 1999

**NOV 18 1999**

Honorable Rod Moen  
Chair, Senate Committee on Health,  
Utilities & Veterans & Military Affairs  
Room 8 South, State Capitol

Dear Senator Moen:

I request a public hearing on Clearinghouse Rule 99-113, relating to the operation of the Health Insurance Risk Sharing Plan (HIRSP). This rule updates and increases HIRSP Plan 2 subsidized and unsubsidized premium rates by about 18% and adjusts the total HIRSP insurer assessments and provider payment rates.

The Department of Health & Family Services (DHFS), at my request, contracted for an actuarial study to compare Medicare Supplement insurance policies and HIRSP Plan 2. The actuarial report was needed to comply with WI Statutes s. 149.143(1)(b) 1.a. that requires HIRSP premiums to be "set at 150 percent of the rate a standard risk would be charged under an individual policy providing substantially the same coverage and deductibles as are provided under the plan..."

The rates in CR 99-113 are based instead on the costs of Plan 2, as compared to Plan 1. The department position has been that "Plan 2 does not have a counterpart in the standard risk private market." The rates instead reflect "about 67% of Plan 1 costs."

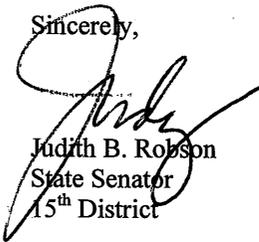
The actuarial report indicates that the Plan 2 Medicare Supplement rates should be increased by 66% over the current rates. This increase would result in Plan 2 enrollees paying annual premiums for the Medicare supplement that are equivalent to the premiums paid by Plan 1 enrollees for the Major Medical Plan.

In the complex formula we have devised for HIRSP, policyholders must pay 60% of the operating and administrative costs of the plan, but they also must not pay "less than 150% nor more than 200% of the rate that a standard risk would be charged." Obviously, such a drastic change in the Plan 2 rates will have repercussions on the Plan 1 rates.

This report has to be reviewed and assessed by DHFS and the HIRSP Board of Governors. The Health Committee can begin the legislative review process with a public hearing on Clearinghouse Rule 99-113.

Your consideration of this request is appreciated.

Sincerely,

  
Judith B. Robson  
State Senator  
15<sup>th</sup> District

JBR:kas