

Q

Senator Shibilski
Senator Welch
Representative Huber

HEALTH AND FAMILY SERVICES -- HEALTH

Vital Records Fees -- Historical Research

[LFB Paper #493]

Motion:

Move to reduce the fee charged for all uncertified vital records dated before 1930, to \$3.00 and for all additional copies to \$1.00.

Note:

This motion would reduce fees charged for uncertified vital records dated before 1930 to \$3.00 per record, and \$1.00 for each additional copy of these records if the record is requested for the purpose of conducting a genealogical search.

The motion would reduce program revenues to DHFS to support the vital records program by an unknown amount.

[Change to Bill: See text]

MO#

BURKE	<input checked="" type="radio"/>	N	A
DECKER	<input checked="" type="radio"/>	N	A
MOORE	<input checked="" type="radio"/>	N	A
SHIBILSKI	<input checked="" type="radio"/>	N	A
PLACHE	<input checked="" type="radio"/>	N	A
WIRCH	<input checked="" type="radio"/>	N	A
DARLING	<input checked="" type="radio"/>	N	A
WELCH	<input checked="" type="radio"/>	N	A
GARD	<input checked="" type="radio"/>	N	A
KAUFERT	<input checked="" type="radio"/>	N	A
ALBERS	<input checked="" type="radio"/>	N	A
DUFF	<input checked="" type="radio"/>	N	A
WARD	<input checked="" type="radio"/>	N	A
HUEBSCH	<input checked="" type="radio"/>	N	A
HUBER	<input checked="" type="radio"/>	N	A
COGGS	<input checked="" type="radio"/>	N	A

AYE 16 NO 0 ABS _____

AGENCY: DNR

PAPER: #494

ISSUE: Environmental Regulation & Licensing

RECOMMENDATION: Part A - Alternative 1
Part B - Alternative 1

A-1
B-1

SUMMARY: Go with the gov here - especially on permits and fees so these sites can be properly inspected.

BY: Barry

7-701

10-1-1971

SM - 100122 - 10-1-1971 - 1001-1001

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Legislative Fiscal Bureau

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May 24, 2001

Joint Committee on Finance

Paper #494

Environmental Regulation and Licensing (DHFS -- Health)

[LFB 2001-03 Budget Summary: Page 374, #8]

CURRENT LAW

The Department of Health and Family Services (DHFS) environmental sanitation regulation and licensing program is responsible for inspecting and licensing of recreational facilities (campgrounds, camping resorts, recreational and educational camps and public swimming pools), food services operations (restaurants, food vending operations and temporary restaurants), lodging establishments (hotels, bed and breakfast establishments and tourist rooming houses) and tattoo and body piercing establishments.

DHFS promulgates rules establishing: (1) permit fees and late fees for untimely permit renewal for recreational facilities; and (2) permit fees, preinspection fees and fees for untimely permit renewal for food and lodging establishments. Most permits are issued on an annual basis, except for bed and breakfast establishments, which are biennial. In addition, DHFS may sign contracts with local health departments (LHDs) to act as agents of DHFS to inspect and license facilities. Local health departments (LHDs) that act as agents of DHFS in the regulation of facilities establish their own fees, and must reimburse DHFS up to 20% of the DHFS fee. DHFS currently charges LHDs 10% of state fees. Fees from permits and LHDs fund DHFS inspectors and administration of the program.

Permits issued for temporary restaurants, such as a booth at a fair, may be applied to locations other than which the permit was initially approved, if approval is secured from DHFS prior to operation at the new location, or if the new location remains in the jurisdictional area of a LHD granted agent status for the regulation of facilities.

GOVERNOR

Funding. Provide \$250,000 PR in 2002-03 to increase support for the environmental sanitation regulation and licensing program.

Recreational Facilities. Authorize DHFS to establish, by rule, preinspection fees, reinspection fees and fees for operating without a license for recreational facilities. Prohibit DHFS, or a LHD that acts as an agent for DHFS, from granting a permit to a person who intends to operate a recreational facility without a preinspection.

Hotels, Restaurants, Tourist Rooming Houses and Vending Machines. Authorize DHFS to establish, by rule, reinspection fees, fees for operating without a permit and fees for comparable compliance or variance requests for hotels, restaurants, tourist rooming houses, vending machine commissaries and vending machines. In addition, authorize DHFS to establish, by rule, fees for pre-permit review of restaurant plans.

Also, repeal the provision that enables transfer of a permit for a temporary restaurant to premises other than that for which it was issued.

Bed and Breakfast Permits. Require persons who operate bed and breakfasts to obtain annual, rather than biennial, permits from DHFS. DHFS indicates that the permit fee (currently \$106) would be reduced by one-half, so that there would be no net change in the fee operators would have to pay.

Revenues from the fees authorized under the bill, which would be set by rule, are estimated to generate \$250,000 annually, beginning in 2002-03.

DISCUSSION POINTS

1. The DHFS environmental sanitation regulation and licensing program currently supports 46.50 FTE positions, including 27 inspectors. In 2000, DHFS inspectors were responsible for 15,416 recreational, lodging and restaurant facilities (or 571 facilities per inspector).

2. In addition, 32 LHDs have signed agreements with DHFS to act as agents in the regulation and licensure of facilities. These LHDs employed 123 inspectors that were responsible for 15,413 facilities (or 125 facilities per inspector) in 2000. An additional LHD is expected to obtain agent status on July 1, 2001, for a total of 33.

3. In 1999-00, the program generated \$2,836,800 from fee revenues. As the number of LHDs that assume agent status increases, DHFS revenues decrease because DHFS only receives 10% of its fees from LHDs. By statute, DHFS can charge LHDs up to 20% of the state fee.

4. The number of LHDs that have signed contracts to assume agent status with DHFS increased from 27 to 33 from 1996 to 2000. While the number of LHDs that are granted agent status decreases DHFS inspection workload, it increases the demand for the training that DHFS

provides to local agents.

5. Each DHFS inspector is currently responsible for 500 to 600 facilities. DHFS staff are currently able to inspect each facility every 18 months. The U.S. Food and Drug Administration recommends that these types of facilities be inspected twice each year.

6. The Senate Health Committee has recently expressed concerns over the frequency of inspections in the state. As a result, DHFS has made a commitment to work towards inspecting each facility on an annual basis. In order to reach the goal, DHFS staff indicate that they will have to work to overcome turnover problems resulting from the current workload and hire LTEs (usually retired inspectors, or student interns majoring in related areas). In addition, as more LHDs become agents for inspections of local facilities, DHFS staff will be better able to inspect facilities under the state's jurisdiction more frequently.

7. Current fees are not expected to generate revenues sufficient to support the environmental sanitation regulation and licensing program over the biennium. DHFS has the authority to set facility fees by rule. DHFS is currently proposing a rule change that would increase revenues over the biennium to address the projected deficit. The fees authorized under the budget are intended to allow DHFS to recoup fees for services it currently performs, but does not have the authority to charge fees for those services.

8. For example, DHFS currently requires preinspections of recreational facilities, by rule. However, the statutes do not authorize fees for preinspections of recreational facilities. In addition, DHFS re-inspects facilities that are found to be significantly non-compliant with existing rules to ensure they are brought in to compliance. However, DHFS does not have the authority to charge facilities for the reinspections. Allowing DHFS to charge for these types of activities would allow them to recoup more of their costs in enforcing the regulations.

9. The following table below indicates the additional fees that would be authorized under the bill, the levels that DHFS currently intends to set those fees under rule, the estimated numbers of facilities affected and the estimated annual revenues that would be generated by these fees.

<u>Modification</u>	<u>Expected Fee</u>	<u>Estimated Number of Facilities</u>	<u>Estimated Annual Revenues</u>
Pre-inspections of recreational facilities	\$250	40	\$10,000
Re-inspections of facilities due to no-compliance	100	1,500	150,000
Operating without a license	250	100	25,000
Comparable compliance or variance requests	150	100	15,000
Reviewing restaurant plans prior to licensing	250	<u>100</u>	<u>25,000</u>
Total		1,840	\$225,000

10. As shown, the Governor's proposed fees are anticipated to increase revenue to the program by \$225,000 annually. Because the fees would have to be set by rule, DHFS does not anticipate revenue from the new fees until 2002-03.

11. The bill would also eliminate the statutory provision that allows a person operating a temporary restaurant to transfer a permit to a premise, other than the premise for which it was originally provided. According to DHFS, requiring temporary restaurants to be inspected at each site would better ensure public health and safety. DHFS proposes a \$25 fee per inspection, and anticipates 1,000 inspections per year for revenue of \$25,000. The current annual permit is \$77.

12. In addition to generating revenue for services already being provided, the fees authorized under the bill are expected to assist with overall compliance of state food safety regulations by allowing DHFS to charge for operating without a license and for reinspections for noncompliance.

13. According to DHFS, most local health departments that have been granted agent status already charge the fees that the state would be authorized to charge under the bill, and already require site inspections for each location for temporary restaurants. Therefore, authorizing DHFS to establish these fees would also provide for more consistent enforcement of facility regulation in the state.

14. The bill would require annual, instead of biennial, permits for bed and breakfast establishments to make those permits consistent with other facility permits. DHFS indicates that it would reduce the current \$160 biennial fee by one-half, so that no additional revenues would be generated from the annual permits. This would make bed and breakfast renewals consistent with renewals for other facilities.

15. The bill would provide additional expenditure authority of \$250,000 in 2002-03 in supplies and services funding to reflect the additional revenues under the bill. However, based on a more recent analysis of expenditures, if the Committee wishes to increase funding for the program, the funding should be reallocated as follows: (a) \$125,600 for salaries; (b) \$78,900 for LTEs; (c) \$28,100 for data processing; and (d) \$17,400 in supplies and services.

16. According to DHFS, the adjustment in salary is needed to reflect that most of the positions in the appropriation have salaries that are broadbanded so that vacancies are typically filled at salaries higher than the minimum. The increased LTE funding would be used to hire additional staff so that DHFS would be able to inspect facilities more frequently. The increased data processing and supplies and services funding relates to technology to support facility licensing and electronic field inspection of facilities.

17. In its budget request, DHFS indicates that the fees requested under the bill were to address a program deficit. In order for the fees to offset a projected deficit, expenditure authority should not be increased. However, DHFS now indicates that revenues should be sufficient to cover expenditures under the bill, and that the additional expenditure authority is needed to allow the program to meet its commitment to inspect facilities more frequently. Because it is a program

revenue appropriation, the Committee could delete the \$250,000 increase in 2002-03, and the Department could request additional authority in the future under s. 16.515 of the statutes after DHFS demonstrates that revenues are sufficient to support additional budgeted expenditures.

ALTERNATIVES

A. Permit and Fees

1. Approve the Governor's recommendations to: (a) authorize DHFS to establish, by rule, preinspection fees, reinspection fees and fees for operating without a license for recreational facilities; (b) prohibit DHFS, or a LHD, from granting a permit to a person who intends to operate a recreational facility without a preinspection; (c) authorize DHFS to establish, by rule, reinspection fees, fees for operating without a permit and fees for comparable compliance or variance requests for hotels, restaurants, tourist rooming houses, vending machine commissaries and vending machines; (c) authorize DHFS to establish, by rule, fees for pre-permit review of restaurant plans; (d) repeal the provision that enables transfer of a permit for a temporary restaurant to premises other than that for which it was issued; and (e) require persons who operate bed and breakfasts to obtain annual, rather than biennial permits.

2. Maintain current law and reduce projected program revenues by \$250,000 in 2002-03.

Alternative A2	PR-REV
2001-03 REVENUE (Change to Base)	- \$250,000

B. Expenditures

1. Approve the Governor's recommendation, as modified, to provide \$250,000 PR in 2002-03 to increase funding for salaries (\$125,600), LTE funding (\$78,900), supplies and services (\$17,400) and data processing (\$28,100).

2. Maintain current law and delete \$250,000 PR in 2002-03 from the bill.

Alternative B2	PR
2001-03 FUNDING (Change to Base)	- \$250,000

Prepared by: Carri Jakel

MO#

B-1

BURKE	Y	N	A
DECKER	Y	N	A
MOORE	Y	N	A
SHIBILSKI	Y	N	A
PLACHE	Y	N	A
WIRCH	Y	N	A
DARLING	Y	N	A
WELCH	Y	N	A
GARD	Y	N	A
KAUFERT	Y	N	A
ALBERS	Y	N	A
DUFF	Y	N	A
WARD	Y	N	A
HUEBSCH	Y	N	A
HUBER	Y	N	A
COGGS	Y	N	A

AYE 16 NO 0 ABS



Legislative Fiscal Bureau

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May 24, 2001

Joint Committee on Finance

Paper #495

Regulation of Radioactive Materials (DHFS -- Health)

[LFB 2001-03 Budget Summary: Page 375, #9]

CURRENT LAW

1999 Act 9 authorized DHFS to begin assuming full regulatory authority over manufactured radioactive materials used in medicine, industry, research and evaluation.

GOVERNOR

Provide \$76,700 (-\$51,800 GPR, -\$42,800 FED and \$171,300 PR) annually and convert 1.11 GPR positions and .99 FED positions to 2.10 PR positions and reallocate 2.10 PR positions from throughout the Department, beginning in 2001-02, to enable DHFS to continue to work toward assuming regulatory oversight over radioactive materials that are currently regulated by the Nuclear Regulatory Commission. Under the bill, DHFS would be provided a total of 4.0 nuclear engineers for this purpose. Revenue to support these positions is available from fees for licenses issued to users of radioactive materials.

MODIFICATION

Modify the bill by deleting 1.0 PR position and restoring .30 GPR position and .70 FED position, beginning in 2001-02, and transfer \$41,500 from supplies and services to fund related salary and fringe benefit costs.

Explanation: The positions affected under this modification were deleted under another item that would adjust funding for public health positions (#10 on page 376 of the LFB summary of the Governor's Budget Recommendations). This modification would restore .30 GPR position and .70 FED position, and reverse the transfer of funding for the salary and fringe benefit costs associated with those position to supplies and services. The administration has requested this modification.

<u>Modification</u>	<u>GPR</u>	<u>FED</u>	<u>PR</u>	<u>TOTAL</u>
2001-03 FUNDING (Change to Bill)	0.30	0.70	- 1.00	0.00

Prepared by: Carri Jakel

MO# modification

BURKE	Y	N	A
DECKER	Y	N	A
MOORE	Y	N	A
SHIBILSKI	Y	N	A
PLACIE	Y	N	A
WIRCH	Y	N	A
DARLING	Y	N	A
WELCH	Y	N	A
GARD	Y	N	A
KAUFERT	Y	N	A
ALBERS	Y	N	A
DUFF	Y	N	A
WARD	Y	N	A
HUEBSCH	Y	N	A
HUBER	Y	N	A
COGGS	Y	N	A

AYE 16 NO 0 ABS _____

AGENCY: Department of Health and Family Services

LFB PAPER #: 496

ISSUE: Health - Disease Aids, Patient Liability for Costs

ALTERNATIVE: 4

Good - 1 + 4 ok

SUMMARY:

Requires DHFS to implement a drug rebate program to help recoup some costs for this program.

DO NOT DO Alt. 1, 2, or 3 here. Alts 2 & 3 would require changing the reimbursement to pharmacies to AWP -15%. Pharmacies say they'll pull out of the program if we do this. Alt 1 gives DHFS full authority to change the fees to individuals to a sliding fee scale whenever they want. We want to maintain legislative oversight on this.

BY: Cindy



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May 24, 2001

Joint Committee on Finance

Paper #496

Disease Aids -- Patient Liability for Costs (DHFS -- Health)

[LFB 2001-03 Budget Summary: Page 377, #13]

CURRENT LAW

The Wisconsin chronic disease program (WCDP) reimburses providers for medical services provided to eligible individuals with kidney disease, cystic fibrosis and hemophilia. The WCDP is the payer of last resort so that, before billing the WCDP, providers are required to seek payment for services from Medicare, medical assistance (MA) and other health plans if the individual is eligible for coverage under these plans. DHFS promulgates rules that require eligible persons whose income exceeds specified limits to obligate or expend a portion of their income toward the cost of medical treatment. DHFS is required to develop and implement a sliding scale of patient liability for medical expenses based on the patient's ability to pay. DHFS is required to review and, if necessary, revise the sliding scale every three years, to ensure that patients with lower incomes receive priority within the availability of funds. Base funding for the program is \$4,932,000 GPR.

To be eligible for the WDCP, an individual must be a state resident and be diagnosed as having end-stage renal disease, hemophilia or adult cystic fibrosis. Recipients are required to pay a portion of the medical expenses, referred to as "coinsurance." The coinsurance amounts are equal to a percent of the charges for medical services, and this percentage varies based on family size and income, as shown in the attachment to this paper. In addition, individuals who have end-stage renal disease and are eligible for Medicare must participate in Medicare B (physician and outpatient services). The total out of pocket liability for deductibles and coinsurance is limited to a percent of the individual's income as determined by DHFS, by rule. The following table provides a summary of the current limits.

**Wisconsin Chronic Disease Program
Limit on Coinsurance and Deductibles**

<u>Annual Income</u>	<u>Limit as a Percent of Income</u>
Up to \$10,000	3%
\$10,001 to \$20,000	4
\$20,001 to \$40,000	5
\$40,001 to 60,000	6
\$60,001 to \$80,000	7
\$80,001 to \$100,000	9
\$100,001 and Greater	10

Individuals in families with income above 300% of the federal poverty level (FPL) are also required to pay the following annual income deductibles, in addition to the out-of-pocket amounts identified above: (a) 1.25% of income for families with income between 300% to 325% of the FPL; (b) 1.5% of income for families with income between 326% and 350% of the FPL; and (c) 2.25% of income for families with income between 351% and 375% of the FPL; (d) 3% of income for families with income between 376% and 400% of the FPL; and (e) 4% of income for families with income greater than 400% of the FPL.

The following services are eligible for reimbursement under the program.

Chronic Renal Disease

- Inpatient and outpatient dialysis and transplant treatment;
- One pre-transplant dental examination, diagnosis and x-ray;
- Kidney donor transplant-related medical services;
- Certain prescription medications;
- Certain home supplies; and
- Certain laboratory and x-ray services.

Adult Cystic Fibrosis

- Inpatient and outpatient services directly related to the disease;
- Certain physician services;
- Certain laboratory and x-ray services;
- Certain prescription medications; and
- Certain home supplies.

Hemophilia Home Care

- Hemophilia home care recipients are only eligible to receive services for blood

derivatives and supplies necessary for home care.

A total of 6,310 people were eligible for services under the disease aid program in 1999-00, including 6,004 persons with chronic renal disease, 176 persons with hemophilia and 130 persons with cystic fibrosis

GOVERNOR

Authorize DHFS to revise the sliding scale to determine patient liability for costs as frequently as necessary to ensure that the needs for treatment of patients with lower incomes receive priority within the amounts budgeted.

DISCUSSION POINTS

1. In its 2001-03 budget submission, DHFS requested \$278,800 GPR in 2001-02 and \$692,500 GPR in 2002-03 to fund projected program costs in the 2001-03 biennium. Instead of providing additional funding for the program, the Governor's bill would require DHFS to revise the sliding scale for determining patient liability for costs as frequently as necessary to ensure that the needs for treatment of patients with lower incomes receive priority within the amounts budgeted. Under these provisions, DHFS would have to increase patients' coinsurance amounts so that the increased costs of the program (\$971,300 in the biennium) would be borne by persons enrolled in the program.

2. DHFS was first required to develop a sliding scale for determining patient liability for program costs under 1983 Wisconsin Act 27 as a means to control program costs. 1993 Act 16 required DHFS to develop and promulgate emergency rules to revise the fee scale, and required the Department to review, and if necessary, revise the sliding scale every three years, thereafter. As a result, a new schedule was developed, effective January 1, 1994. DHFS has not since revised the scale.

3. Although the bill would allow DHFS to revise the schedule whenever necessary to ensure that patients with low incomes receive priority, most persons enrolled in the program have low incomes. In 2000, 86% of recipients of chronic renal disease aids, 70% of hemophilia aid recipients and 49% of recipients of aids for adult cystic fibrosis had family incomes of less than \$25,000.

4. DHFS has identified other measures that could be adopted to reduce the need to provide additional GPR funding for the program, including: (1) reducing rates paid to pharmacies for most drugs purchased under the program, from the current rate (the average wholesale price minus 10% plus a dispensing fee) to the average wholesale price minus 15% plus a dispensing fee, the same rate reduction the Governor proposed for drugs purchased under the MA program; and (2) requiring drug manufacturers to enter into rebate agreements with the state to generate revenues that would be available to offset a portion of the program's costs, as a condition of having their drugs

available for purchase under the program.

5. Drug costs under the WCDP are projected to be \$3,207,000 in 2001-02 and \$3,527,700 in 2002-03. If the payment rate for drugs were reduced to the average wholesale price less 15%, projected program costs would be reduced by an estimated \$160,300 in 2001-02 and \$176,400 in 2002-03, or \$336,700 over the biennium.

6. Both the MA program and the AIDS drug reimbursement program require manufacturers to enter into rebate agreements as a condition of having their drugs covered under these programs. Revenue from the rebates is used to partially offset program costs. MA drug costs are offset by approximately 18% because of the availability of rebate revenue. DHFS staff indicate that the earliest a rebate program could be implemented for the disease aids program would be January, 2002. It is estimated that, if manufacturers were required to enter into rebate agreements as a condition of participating in the program, the state would receive rebate revenues totaling \$288,600 in 2001-02 and \$635,000 in 2002-03, or \$923,600 in the biennium

7. If the proposed measures to reduce costs under the program were adopted, DHFS would not likely need to modify patient liability amounts, as authorized under the bill. However, the Committee may want to approve the Governor's recommendation, in addition to implementing measures to reduce program costs, so that if program expenditures exceed the expected levels, DHFS would have sufficient authority to modify eligibility to ensure that patients with lower incomes receive priority within the budgeted amounts.

ALTERNATIVES TO BILL

1. Approve the Governor's recommendation to authorize DHFS to revise the sliding scale DHFS uses to determine patient liability for costs under the disease aids program as frequently as necessary to determine that the needs for treatment of patients with lower incomes receive priority within the amounts budgeted for the program.

2. Adopt the Governor's recommended statutory change. In addition, reduce funding by \$170,100 GPR in 2001-02 and \$118,900 GPR in 2002-03 to reflect projected cost savings by adopting both of the following measures: (a) authorizing DHFS to reimburse drug providers, under the disease aid program, at the average wholesale price less 15% plus a dispensing fee; and (b) requiring DHFS to implement a drug rebate program, based on the terms of the MA rebate agreement.

Alternative 2	GPR
2001-03 REVENUE (Change to Bill)	-\$289,000

3. Adopt the Governor's proposed statutory change. In addition, authorize DHFS to reimburse pharmacies under the disease aid program at a rate equal to the average wholesale price,

less 15%, plus the current MA dispensing fee. Estimated savings of \$336,700 over the biennium would be used to partially offset projected program cost increases.

4. Require DHFS to implement a drug rebate program for the WCDP. Specify that only drugs manufactured by firms that enter into rebate agreements with the state that are based on the MA rebate agreement may be covered under the program. Estimated savings of \$923,600 over the biennium would be used to partially offset projected program cost increases.

5. Delete the Governor's recommendations. Instead, provide \$278,800 GPR in 2001-02 and \$692,500 GPR in 2002-03 to fund projected costs of the program in the 2001-03 biennium.

<u>Alternative 5</u>	<u>GPR</u>
2001-03 FUNDING (Change to Bill)	\$971,300

Prepared by: Carri Jakel

MO# Alt. 4

2 BURKE	<input checked="" type="radio"/>	N	A
DECKER	<input checked="" type="radio"/>	N	A
MOORE	<input checked="" type="radio"/>	N	A
SHIBILSKI	<input checked="" type="radio"/>	N	A
PLACHE	<input checked="" type="radio"/>	N	A
WIRCH	<input checked="" type="radio"/>	N	A
DARLING	<input checked="" type="radio"/>	N	A
WELCH	<input checked="" type="radio"/>	N	A
GARD	<input checked="" type="radio"/>	N	A
KAUFERT	<input checked="" type="radio"/>	N	A
ALBERS	<input checked="" type="radio"/>	N	A
DUFF	<input checked="" type="radio"/>	N	A
WARD	<input checked="" type="radio"/>	N	A
HUEBSCH	<input checked="" type="radio"/>	N	A
HUBER	<input checked="" type="radio"/>	N	A
COGGS	<input checked="" type="radio"/>	N	A

AYE 16 NO 0 ABS _____

HEALTH AND FAMILY SERVICES -- HEALTH

Disease Aids -- Patient Liability for Costs

[LFB Paper #496]

Motion:

Move to modify Alternative 4 in LFB Paper #496 to specify that the required rebate payments would be calculated based on the terms of the federal MA rebate provisions except that if the change in the average manufacturer price (AMP) for a drug exceeds the AMP of the drug as of December 31, 2000 or the first calendar quarter after the day on which the drug was first available, adjusted for inflation, the rebate amount would be increased by the amount of the difference.

Note:

Under current federal MA law, the amount of manufacturer rebate revenue available to states for drug purchased under MA is equal to the greater of the difference between the AMP and the best price or 15.1% of the AMP for the rebate period.

Additionally, under federal law, the amount of the rebate for a drug would be increased if the change in the AMP for a drug exceeds the AMP of that drug as of December 31, 1990. For drugs introduced after October 1, 1990, the additional rebate would be available if the AMP exceeds the change in the AMP when the drug was first introduced adjusted for inflation.

Under this motion, the additional rebate revenue would not be available under the disease aids program if the AMP increased above the rate of inflation prior to December 31, 2000.

MO#

BURKE	Y	N	A
DECKER	Y	N	A
MOORE	Y	N	A
SHIBILSKI	Y	N	A
PLACHE	Y	N	A
WIRCH	Y	N	A
DARLING	Y	N	A
WELCH	Y	N	A
2 GARD	Y	N	A
KAUFERT	Y	N	A
1 ALBERS	Y	N	A
DUFF	Y	N	A
WARD	Y	N	A
HUEBSCH	Y	N	A
HUBER	Y	N	A
COGGS	Y	N	A

AYE 12 NO 4 ABS

HEALTH AND FAMILY SERVICES -- HEALTH

WIC Electronic Benefits Transfer Study

Motion:

Move to require DHFS to include the following in its study of the program and operational requirements of establishing an electronic benefit transfer (EBT) system under the supplemental food program for women, infants and children (WIC): (1) information system requirements for administering a WIC EBT system; (2) the compatibility of a WIC EBT system with existing EBT systems in Wisconsin; (3) the costs and benefits of implementing a WIC EBT system for the WIC program, WIC participants and food retailers; and (4) possible funding sources;. Require DHFS to report on the findings of the study to the Joint Committee on Finance by January 1, 2002.

Note:

As passed by the Legislature, the 1999-01 biennial budget bill included a provision requiring DHFS to conduct a study of the EBT systems under the supplemental food program for women, infants and children (WIC). The study was to include: (1) program and operational requirements of establishing and EBT system for WIC; (2) information system requirements for administering an EBT system under the WIC program; (3) compatibility of an EBT system under WIC with existing EBT systems; (4) the costs and benefits of implementing an EBT system to DHFS, participants and vendors; and (5) possible funding sources for implementation of an EBT system under WIC. A report on the findings of the study was to be submitted to the Joint Committee on Finance by January 1, 2002. The Governor vetoed all of these provisions, except the requirement that DHFS study the program and operational requirements of establishing an EBT system for WIC.

This motion would restore the provisions included by the Legislature in the last biennial budget bill, except for the provision relating to recommendations for reducing fraud in the WIC program, and require DHFS to report on the findings of the study to the Joint Committee on Finance by January 1, 2002.

MO# _____

BURKE	<input checked="" type="radio"/>	N	A
DECKER	<input checked="" type="radio"/>	N	A
MOORE	<input checked="" type="radio"/>	N	A
SHIBILSKI	<input checked="" type="radio"/>	N	A
PLACHE	<input checked="" type="radio"/>	N	A
WIRCH	<input checked="" type="radio"/>	N	A
DARLING	<input checked="" type="radio"/>	N	A
WELCH	<input checked="" type="radio"/>	N	A
GARD	<input checked="" type="radio"/>	N	A
KAUFERT	<input checked="" type="radio"/>	N	A
ALBERS	<input checked="" type="radio"/>	N	A
DUFF	<input checked="" type="radio"/>	N	A
WARD	<input checked="" type="radio"/>	N	A
HUEBSCH	<input checked="" type="radio"/>	N	A
HUBER	<input checked="" type="radio"/>	N	A
COGGS	<input checked="" type="radio"/>	N	A

AYE 16 NO 0 ABS _____

HEALTH AND FAMILY SERVICES - HEALTH

Wisconsin Immunization Registry

Motion:

Move to require DHFS to allocate \$299,000 GPR and \$793,500 FED in 2001-02 and \$527,400 GPR and \$140,200 FED in 2002-03 from the MA administration appropriations for development and support of the Wisconsin immunization registry. Expand the purposes for which expenditures can be made from this appropriation to include the development and support of the registry.

Note:

The Wisconsin immunization registry (WIR) is an automated, web-based system to centralize recording keeping of immunization records for all Wisconsin children. The web-based system was first piloted in October, 1999. Currently, 140 providers participate, including the 72 local public health departments. Providers may have multiple clinics where the WIR is used. Approximately 1.4 million patients are in the system as of May, 2001. DHFS is working to implement the system statewide to include the 1,000 private health care provider sites that provide pediatric immunizations.

In the past, DHFS has used one-time federal immunization funds to fund WIR. There are no base funds that support the program. The federal Health Care Financing Administration (HCFA) has recently approved the use of MA funding for the cost of developing immunization registries with 90% federal matching funds. Additionally, federal MA funds would be available to support the ongoing costs of the registry for the portion of the registry that is represented by MA-eligible children.

The MA administration appropriations fund contracts for administration of MA, including the state's contract with the MA fiscal agent, currently Electronic Data Systems, Inc.. The fiscal agent currently performs a variety of functions, including claims processing, provider certification, point-of-sale operations for pharmacy benefits, prior authorization, dental claims processing, eligibility functions, collection of pharmaceutical manufacturer rebates and coordination of benefit

functions. In addition, the appropriations fund a variety of other MA-related functions, including decision support functions, health maintenance organization (HMO) enrollment, outreach for Healthy Start, consultants that monitor performance of hospitals and nursing homes. These appropriations do not fund DHFS staff that administer the MA program.

This motion would require DHFS to allocate \$299,000 GPR and \$793,500 FED in 2001-02 and \$527,400 GPR and \$140,200 FED from the MA administration appropriations to fund both the development of the registry and ongoing support costs of the registry, but does not provide funding for this function. Consequently, DHFS would be required to give priority to funding the costs of developing and maintaining the WIR over all other functions supported by these appropriations.

Finally, the motion would modify the current MA administration appropriations to authorize DHFS to expend funds from these appropriations for this purpose. Currently, these appropriations fund costs relating to the MA program, exclusively.

MO#

2 BURKE	Y	N	A
DECKER	Y	N	A
MOORE	Y	N	A
SHIBILSKI	Y	N	A
1 PLACHE	Y	N	A
WIRCH	Y	N	A
DARLING	Y	N	A
WELCH	Y	N	A
GARD	Y	N	A
KAUFERT	Y	N	A
ALBERS	Y	N	A
DUFF	Y	N	A
WARD	Y	N	A
HUEBSCH	Y	N	A
HUBER	Y	N	A
COGGS	Y	N	A

AYE 8 NO 8 ABS _____

HEALTH AND FAMILY SERVICES -- HEALTH

Health Care Information Collection -- Exemption of Residents and Fellows

Motion:

Move to exempt residents or fellows in medical education from health care information requirements under s. 153.05 of the statutes. Prohibit DHFS from collecting health care information on the practice of residents or fellows in medical evaluation, and prohibit DHFS from including information from that practice in the information collected from the attending or supervising physician with whom a resident or fellow in medical education practices.

Note:

Under current law, DHFS is responsible for collecting, analyzing and disseminating health care information. Health care providers are required to submit to DHFS information specified by rule, except that DHFS may waive the requirement for a health care provider that requests a waiver and presents evidence to DHFS that that the requirement is burdensome to the provider, under standards established by rule. The health care information program is funded by fees assessed to health care providers that are subject to these information requirements. The maximum annual assessment for health care providers that are not facilities is \$75. The current annual assessment is \$65.

This motion would exempt medical residents and students from health care information reporting requirements and assessments. DHFS estimates that this proposal would reduce fees paid by residents and fellows by approximately \$195,000 annually. However, DHFS would increase assessments to other health care providers to generate an equal amount of revenue to fund its program budget. Consequently, there would be no change in total fee revenues collected by DHFS.

MO#

BURKE	Y	N	A
DECKER	Y	N	A
MOORE	Y	N	A
SHIBILSKI	Y	N	A
PLACHE	Y	N	A
WIRCH	Y	N	A
DARLING	Y	N	A
WELCH	Y	N	A
GARD	Y	N	A
KAUFERT	Y	N	A
ALBERS	Y	N	A
DUFF	Y	N	A
WARD	Y	N	A
HUEBSCH	Y	N	A
HUBER	Y	N	A
COGGS	Y	N	A

AYE 6 NO 10 ABS

HEALTH AND FAMILY SERVICES -- HEALTH

Violent Death Reporting System and Evaluation of Milwaukee CEASEFIRE

Motion:

Move to provide DHFS \$65,000 GPR annually in a new, annual appropriation to fund statewide violent injury information activities, including a contract to evaluate a joint federal and state program of prosecution of firearm crime, known as the Milwaukee CEASEFIRE project, utilizing the data collected under the injury reporting system. Authorize DHFS to contract for implementation of the violent injury information system with a qualified agency or academic institution demonstrating significant experience in collecting and linking law enforcement and health related information. Require DHFS to enter into memoranda of understanding with the Department of Justice and Office of Justice Assistance to reduce intentional and unintentional injuries.

Note:

[Change to Bill: \$130,000 GPR]

MO#			
BURKE	Y	N	A
DECKER	Y	N	A
MOORE	Y	N	A
SHIBILSKI	Y	N	A
PLACHE	Y	N	A
WIRCH	Y	N	A
DARLING	Y	N	A
WELCH	Y	N	A
GARD	Y	N	A
KAUFERT	Y	N	A
ALBERS	Y	N	A
DUFF	Y	N	A
WARD	Y	N	A
HUEBSCH	Y	N	A
HUBER	Y	N	A
COGGS	Y	N	A

AYE 8 NO 8 ABS _____

HEALTH AND FAMILY SERVICES -- HEALTH

Mary Mahoney Health Service, Inc.

Motion:

Move to provide \$50,000 annually to Mary Mahoney Health Services, Inc. to support nurse-managed health centers in the City of Milwaukee.

Note:

Mary Mahoney Health Services, Inc. operates three nurse-managed health centers in the City of Milwaukee. Approximately 82% of the patients served by the clinics have income levels below the federal poverty level, and 34% are uninsured.

As passed by the Legislature, the 1999-01 budget bill would have provided \$100,000 GPR annually for a grant to Mary Mahoney Health Services, Inc. to support the provision of health care services at the three centers. The Governor vetoed the provision so that one-time funding of \$100,000 GPR was available in 1999-00.

This motion would provide \$50,000 annually to support salaries of nurses who conduct home visits, provide health education and individual counseling at the three clinics. Funding would also be used to purchase medication and support laboratory costs on behalf of uninsured clients at all three clinics.

[Change to Bill: \$100,000 GPR]

MO# _____

BURKE	Y	N	A
DECKER	Y	N	A
MOORE	Y	N	A
SHIBILSKI	Y	N	A
PLACHE	Y	N	A
WIRCH	Y	N	A
DARLING	Y	N	A
WELCH	Y	N	A
GARD	Y	N	A
KAUFERT	Y	N	A
ALBERS	Y	N	A
DUFF	Y	N	A
WARD	Y	N	A
HUEBSCH	Y	N	A
HUBER	Y	N	A
COGGS	Y	N	A

AYE 8 NO 8 ABS _____

HEALTH AND FAMILY SERVICES

Health

Bill Agency

LFB Summary Items for Which No Issue Paper Has Been Prepared

Item #	Title
2	County General Relief Block Grants
4	Lead Certification
7	Congenital Disorders
10	Public Health Position Adjustments
11	Bureau of Health Information Funding
12	Occupational Health Position
15	HIV/AIDS Program Definitions
16	Director of Emergency Medical Services Funding
17	Immunizations
18	Vital Records -- Miscellaneous Statutory Changes

LFB Summary Item for Introduction as Separate Legislation

Item #	Title
14	Release of Health Care Information

LFB Summary Item Addressed at the Committee's May 16, 2001, Executive Session

Item #	Title
3	Thomas T. Melvin Youth Tobacco Prevention and Education Program (Paper #880)

McGinnis, Cindy

From: Eric Jensen [EricJ@WISMED.ORG]
Sent: Wednesday, February 14, 2001 4:05 PM
To: cindy.mcginis@legis.state.wi.us
Subject: Physician/Resident Assessment

Hi Cindy.

Alice said you were expecting my e-mail. You probably know the long history of this bill and program so I won't go into that. The law gives DHFS authority to assess physicians up to \$75 per year - they set the assessment this year at \$65 and it is the first time they've done the assessment. The debate in 1997-98 predates my arrival at SMS, but the understanding from physician groups has always been that residents would not be included in the assessment. We learned of the residents' inclusion during a conference call DHFS held (for several large hospital/clinic groups to talk about paying the assessments for their doctors) only a couple weeks before the bills were sent out. We complained informally to DHFS people, but were told that nothing would be done.

The specific language gives authority to assess "health care providers who are in a class of health care providers from whom the department collects data." Retired physicians, who naturally don't produce any data, are exempt from the assessment. Residents, who work under supervision of a training physician, also don't produce any data, so there is no "cost" associated with collecting data from residents. 3rd and 4th year medical students provide many services under training physician supervision that residents do, naturally they don't produce any data, and because they are not licensed they cannot be assessed, but because residents can be licensed MDs, DHFS included them.

There are between 1500 and 2000 residents statewide, so the total dollar amount is between \$97,500 and \$130,000 annually.

Does that give you enough to respond to the constituent inquiry? If not, let me know and don't hesitate to call or e-mail if my summary just raises other questions for you.

Eric Jensen

SMS

257-6781, ext 262

McGinnis, Cindy

From: Pederson, Russell
Sent: Wednesday, May 23, 2001 4:02 PM
To: McGinnis, Cindy
Subject: Wisconsin Immunization Registry

Cindy,

Thanks for the update. Here are some basics on a WIR budget motion:

Budget needed:

	GPR	FED	Total
FY02	\$299,036	\$793,468	\$1,092,504
FY03	\$527,372	\$140,188	\$667,560

Total Costs are higher in FY02 compared to FY03 due to costs associated with training and implementation. It is estimated that the majority of health care providers will be on the WIR by the end of FY02 thereby reducing training/implementation costs in FY03.

The development and implementation of the WIR to date has been done through funds supplied to the Immunization Program from the National Immunization Program at the Centers for Disease Control and Prevention.

These funds have been completely expended and additional CDC funds are not forthcoming. No state funds have been used. HCFA will now provide funding for immunization registry development, implementation and ongoing maintenance and support based on the percentage of children in the registry that are Medicaid eligible, This is currently estimated to be approximately 28%. HCFA will pay 90% of associated costs for development and 75% for training and ongoing maintenance and support for the Medicaid portion of the registry. States must pay the respective 10% and 25% match and cannot match federal funds with other federal funds. States can use either state or federal funds to pay for the non-Medicaid portion of the registry but there are currently no federal funds available to cover these costs.

Overview: Wisconsin Immunization Registry (WIR)

- Statewide registry of children's immunizations
- Immunizations according to date and provider

- Assesses a child's immunization record and assists providers in determining which immunizations are due at each visit.
- Immunization tracking and recall will allow providers, e.g. physicians, local health departments, to remind a parent when an immunization is due or if an appointment was missed.
- Statewide implementation began in June 2000.
- Currently over 130 public and private providers are utilizing the system.
- Over 1.2 million individual records and over 5 million associated dates of immunizations are currently accessible.
- Approximately 3,000 new dates of immunizations are entered each day.
- DHFS is currently scheduling additional training and demonstrations of the WIR, including in Milwaukee County.

Let me know if you would like additional information.

Russ