2005 DRAFTING REQUEST

Bill

Received: **10/05/2005**

Received By: **dkennedy**

Wanted: **As time permits**

Identical to LRB:

For: **Marlin Schneider (608) 266-0215**

By/Representing: **Cynthia (aide)**

This file may be shown to any legislator: **NO**

Drafter: **dkennedy**

May Contact:

Addl. Drafters: **jkreye**

Subject: **Health - medical assistance**
Tax, Other - alcohol and tobacco

Extra Copies:

Submit via email: **YES**

Requester's email: **Rep.Schneider@legis.state.wi.us**

Carbon copy (CC:) to: **robin.ryan@legis.state.wi.us**
joseph.kreye@legis.state.wi.us

Pre Topic:

No specific pre topic given

Topic:

Increase cigarette tax to fund certain MA, BadgerCare, and Senior Care budget shortfalls

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Instructions:

See Attached

Drafting History:

Vers.	Drafted	Reviewed	Typed	Proofed	Submitted	Jacketed	Required
/?	dkennedy 10/05/2005	csicilia 10/06/2005		_____ _____			State
/1			rschluet 10/06/2005	_____ _____	lemery 10/06/2005	lemery 10/06/2005	

FE Sent For:

At intro.

<END>

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PLEASE JACKET
DAK 10/6/05

Pre Topic:

No specific pre topic given

Topic:

Increase cigarette tax to fund certain MA, BadgerCare, and Senior Care budget shortfalls

Instructions:

See Attached

Drafting History:

Vers.	Drafted	Reviewed	Typed	Proofed	Submitted	Jacketed	Required
/?	dkennedy	/1 gs 10/6 05	10/6				

FE Sent For:

<END>

Kennedy, Debora

From: Kieper, Cynthia L.
Sent: Friday, September 30, 2005 2:11 PM
To: Kennedy, Debora
Subject: LRB 3657/1

Hi Debra,

Marlin had some bills in the assembly floor but he doesn't know where the jacket is.....I'm sorry.....Can you jacket LRB-3657/1 for us?
Cynthia L. Kieper

RESEARCH APPENDIX - Draft Transfer/Copy Request Form

- Atty's please complete this form and give to Mike Barman (or Lynn E. in his absence)

(Request Made By: DAK) (Date: 10 / 5 / 05)

○ ☞ Please transfer the drafting file for

2003 ~~2001~~ LRB _____ to the drafting file

for **2003 LRB** _____

☞ The final version of the 2001 draft and the final Request Sheet will copied on yellow paper, and returned to the original 2001 drafting file. A new cover sheet will be created/included listing the new location of the drafting file's "guts".

☞ For research purposes, because the 2001 draft was incorporated into a 2003 draft, the complete drafting file will be transferred, as a separate appendix, to the new 2003 drafting file. This request form will be inserted into the "guts" of the 2003 draft. If introduced, the appendix will be scanned/added to the electronic drafting file folder.

— OR —

○ ☞ Please copy the drafting file for

2005 ~~2003~~ LRB 3657 / 1 (include the version) and place it in the

drafting file for 2005 ~~2003~~ **LRB** 3796

☞ For research purposes, because the original 2003 draft was incorporated into another 2003 draft, the original drafting file will be copied on yellow paper (darkened/auto centered/reduced to 90%) and added, as a separate appendix, to the new 2003 drafting file. This request form will be inserted into the "guts" of the new 2003 draft. If introduced the appendix will be scanned/added to the electronic drafting file folder.

☞ The original drafting file will then returned, intact, to it's folder and filed. For future reference, a copy of the transfer/copy request form will also be added to the "guts" of the original draft.

Updated: 01/15/2003

THURSDAY 10/6

State of Wisconsin
2005 – 2006 LEGISLATURE

3796/1
LRB-~~3657/1~~
DAK&JK:cjs:~~pg~~
Stars

2005 BILL

SA

no changes

re Gen cat

AN ACT *to amend* 139.31 (1) (a) and 139.31 (1) (b) of the statutes; **relating to:** increasing the rate of the tax imposed on cigarettes; increasing the Medical Assistance nursing home and hospital outpatient reimbursement rates; increasing Medical Assistance reimbursement for projected caseload increases; transferring moneys to the Medical Assistance trust fund; increasing the Medical Assistance, BadgerCare, and Senior Care pharmacy drug reimbursement rates and pharmacy dispensing fees; and making appropriations.

Analysis by the Legislative Reference Bureau

Under current law, the rate of the tax imposed on cigarettes is 77 cents per pack. Under this bill, the rate of the tax imposed on cigarettes is 97 cents per pack.

Currently, as affected by 2005 Wisconsin Act 25 (the biennial budget act), nursing homes that provide services to recipients of Medical Assistance (MA) receive reimbursement, under a formula, from state general purpose revenues, certain program revenues, the MA trust fund, and federal Medicaid moneys. This bill increases the state general purpose revenue appropriation by $5,141,700 for fiscal year 2005–06 and by $10,118,000 for fiscal year 2006–07 to provide a 1.4 percent increase in each fiscal year to the nursing home MA reimbursement rate.

Currently, as affected by the biennial budget act, the rate of reimbursement paid for brand name and certain generic drugs purchased under MA, BadgerCare, and Senior Care is the average wholesale price (AWP) minus 16 percent. This bill increases the reimbursement rate for these drugs for MA, BadgerCare, and Senior Care to AWP minus 13 percent, by increasing the general purpose revenues appropriations for these programs by a total of $3,921,300 for fiscal year 2005–06 and by a total of $6,020,000 for fiscal year 2006–07.

Currently, as affected by the biennial budget act, the dispensing fee paid for drugs dispensed by pharmacies under MA, BadgerCare, and Senior Care is $3.88 per prescription. This bill increases the drug dispensing fee to $4.38 per prescription for drugs dispensed under MA, BadgerCare, and Senior Care, by increasing the general purpose revenues for these programs by a total of $1,319,800 in fiscal year 2005–06 and by a total of $1,880,500 in fiscal year 2006–07.

Currently, as affected by the biennial budget act, hospitals are reimbursed for providing outpatient services to MA recipients. This bill increases the MA general purpose revenues appropriation by $2,500,000 in each year of the fiscal biennium to provide an across–the–board rate increase for MA outpatient hospital services, beginning in the 2005–06 fiscal year.

This bill increases the MA general purpose appropriation by $500,000 in fiscal year 2005–06 and by $1,000,000 in fiscal year 2006–07 to fund projected case load increases.

Lastly, the bill transfers $46,409,100 for fiscal year 2005–06 and $13,800,000 for fiscal year 2006–07 from the general fund to the MA trust fund, to provide reimbursement for MA services.

For further information see the ***state*** fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1 **SECTION 1.** 139.31 (1) (a) of the statutes is amended to read:

2 139.31 **(1)** (a) On cigarettes weighing not more than 3 pounds per thousand,

3 ~~38.5~~ 48.5 mills on each cigarette.

4 **SECTION 2.** 139.31 (1) (b) of the statutes is amended to read:

5 139.31 **(1)** (b) On cigarettes weighing more than 3 pounds per thousand, ~~77~~ 97

6 mills on each cigarette.

7 **SECTION 9221. Appropriation changes; health and family services.**

1 (1) NURSING HOME MEDICAL ASSISTANCE REIMBURSEMENT RATE. In the schedule
2 under section 20.005 (3) of the statutes for the appropriation to the department of
3 health and family services under section 20.435 (4) (b) of the statutes, as affected by
4 the acts of 2005, the dollar amount is increased by $5,141,700 for fiscal year 2005–06
5 and the dollar amount is increased by $10,118,000 for fiscal year 2006–07 to increase
6 funding for Medical Assistance reimbursement to facilities under section 49.45 (6m)
7 of the statutes.

8 (2) MEDICAL ASSISTANCE PHARMACY DRUG REIMBURSEMENT RATE. In the schedule
9 under section 20.005 (3) of the statutes for the appropriation to the department of
10 health and family services under section 20.435 (4) (b) of the statutes, as affected by
11 the acts of 2005, the dollar amount is increased by $2,270,300 for fiscal year 2005–06
12 and the dollar amount is increased by $3,430,900 for fiscal year 2006–07 to increase
13 the reimbursement rate for drugs purchased under Medical Assistance to the
14 average wholesale price minus 13 percent.

15 (3) BADGERCARE PHARMACY DRUG REIMBURSEMENT RATE. In the schedule under
16 section 20.005 (3) of the statutes for the appropriation to the department of health
17 and family services under section 20.435 (4) (bc) of the statutes, as affected by the
18 acts of 2005, the dollar amount is increased by $234,100 for fiscal year 2005–06 and
19 the dollar amount is increased by $386,400 for fiscal year 2006–07 to increase the
20 reimbursement rate for drugs purchased under BadgerCare to the average
21 wholesale price minus 13 percent.

22 (4) SENIOR CARE PHARMACY DRUG REIMBURSEMENT RATE. In the schedule under
23 section 20.005 (3) of the statutes for the appropriation to the department of health
24 and family services under section 20.435 (4) (bv) of the statutes, as affected by the
25 acts of 2005, the dollar amount is increased by $1,416,900 for fiscal year 2005–06 and

1 the dollar amount is increased by $2,202,700 for fiscal year 2006–07 to increase the
2 reimbursement rate for drugs purchased under Senior Care to the average wholesale
3 price minus 13 percent.

4 (5) MEDICAL ASSISTANCE PHARMACY DISPENSING FEE RATE. In the schedule under
5 section 20.005 (3) of the statutes for the appropriation to the department of health
6 and family services under section 20.435 (4) (b) of the statutes, as affected by the acts
7 of 2005, the dollar amount is increased by $613,100 for fiscal year 2005–06 and the
8 dollar amount is increased by $865,900 for fiscal year 2006–07 to increase the
9 dispensing fee for drugs dispensed under Medical Assistance to $4.38 per
10 prescription.

11 (6) BADGERCARE PHARMACY DISPENSING FEE RATE. In the schedule under section
12 20.005 (3) of the statutes for the appropriation to the department of health and family
13 services under section 20.435 (4) (bc) of the statutes, as affected by the acts of 2005,
14 the dollar amount is increased by $57,800 for fiscal year 2005–06 and the dollar
15 amount is increased by $89,200 for fiscal year 2006–07 to increase the dispensing fee
16 for drugs dispensed under BadgerCare to $4.38 per prescription.

17 (7) SENIOR CARE PHARMACY DISPENSING FEE RATE. In the schedule under section
18 20.005 (3) of the statutes for the appropriation to the department of health and family
19 services under section 20.435 (4) (bv) of the statutes, as affected by the acts of 2005,
20 the dollar amount is increased by $648,900 for fiscal year 2005–06 and the dollar
21 amount is increased by $925,400 for fiscal year 2006–07 to increase the dispensing
22 fee for drugs dispensed under Senior Care to $4.38 per prescription.

23 (8) MEDICAL ASSISTANCE HOSPITAL OUTPATIENT SERVICES. In the schedule under
24 section 20.005 (3) of the statutes for the appropriation to the department of health
25 and family services under section 20.435 (4) (b) of the statutes, as affected by the acts

1 of 2005, the dollar amount is increased by $2,500,000 for fiscal year 2005–06 and the
2 dollar amount is increased by $2,500,000 for fiscal year 2006–07 to increase the
3 reimbursement rate for Medial Assistance outpatient hospital services.

4 (9) MEDICAL ASSISTANCE CASELOAD INCREASES. In the schedule under section
5 20.005 (3) of the statutes for the appropriation to the department of health and family
6 services under section 20.435 (4) (b) of the statutes, as affected by the acts of 2005,
7 the dollar amount is increased by $500,000 for fiscal year 2005–06 and the dollar
8 amount is increased by $1,000,000 for fiscal year 2006–07 to fund projected Medical
9 Assistance recipient caseload increases.

10 (10) GENERAL FUND TRANSFER. There is transferred from the general fund to the
11 Medical Assistance trust fund $46,409,100 in fiscal year 2005–06 and $13,800,000
12 in fiscal year 2006–07.

13 **SECTION 3. Effective dates.** This act takes effect on the day after publication,
14 except as follows:

15 (1) CIGARETTE TAX. The treatment of section 139.31 (1) (a) and (b) of the statutes
16 takes effect on December 1, 2005.

17 **(END)**

Barman, Mike

From: Schneider, Marlin
Sent: Thursday, October 06, 2005 4:21 PM
To: LRB.Legal
Subject: Draft review: LRB 05-3796/1 Topic: Increase cigarette tax to fund certain MA, BadgerCare, and Senior Care budget shortfalls

It has been requested by <Schneider, Marlin> that the following draft be jacketed for the ASSEMBLY:

Draft review: LRB 05-3796/1 Topic: Increase cigarette tax to fund certain MA, BadgerCare, and Senior Care budget shortfalls