

Fiscal Estimate - 2005 Session

Original
 Updated
 Corrected
 Supplemental

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|------------------------------------|---|
| LRB Number 05-2922/3 | Introduction Number AB-1140 |
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Description
 Creating the Private Health Insurance Purchasing Corporation of Wisconsin, establishing a health insurance purchasing arrangement through the use of private accounts for all state residents, adopting federal law as it relates to health savings accounts for state income and franchise tax purposes, making appropriations, and providing a penalty

Fiscal Effect

State:

| | | |
|---|---|---|
| <input type="checkbox"/> No State Fiscal Effect | <input type="checkbox"/> Increase Existing Revenues | <input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Decrease Costs |
| <input type="checkbox"/> Indeterminate | <input type="checkbox"/> Decrease Existing Revenues | |
| <input type="checkbox"/> Increase Existing Appropriations | <input type="checkbox"/> Decrease Existing Appropriations | |
| <input type="checkbox"/> Create New Appropriations | | |

Local:

| | | |
|--|--|---|
| <input type="checkbox"/> No Local Government Costs | 3. <input type="checkbox"/> Increase Revenue | 5. Types of Local Government Units Affected <input type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities <input type="checkbox"/> Counties <input type="checkbox"/> Others <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts |
| <input type="checkbox"/> Indeterminate | 4. <input type="checkbox"/> Decrease Revenue | |
| 1. <input type="checkbox"/> Increase Costs | <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory | |
| 2. <input type="checkbox"/> Decrease Costs | <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory | |

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|--|---------------------------------------|
| Fund Sources Affected | Affected Ch. 20 Appropriations |
| <input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS | |

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| Agency/Prepared By DOA/ Dawn Soletski (608) 266-6497 | Authorized Signature Martha Kerner (608) 266-1359 | Date 3/27/2006 |
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Fiscal Estimate Narratives

DOA 3/28/2006

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|--|------------------|---------------------|----------------|---------------|-----------------|
| LRB Number | 05-2922/3 | Introduction Number | AB-1140 | Estimate Type | Original |
| Description Creating the Private Health Insurance Purchasing Corporation of Wisconsin, establishing a health insurance purchasing arrangement through the use of private accounts for all state residents, adopting federal law as it relates to health savings accounts for state income and franchise tax purposes, making appropriations, and providing a penalty | | | | | |

Assumptions Used in Arriving at Fiscal Estimate

If enacted, this bill would require that the State of Wisconsin create a Private Health Insurance Purchasing Corporation to administer a private health insurance purchasing arrangement (PHIPA) which would provide health insurance coverage to every eligible state resident.

The bill has two components that affect the Department of Administration. It designates DOA as one of multiple entities that would have access to the Corporation's financial records. The other entities mentioned in the bill are the Governor, any committee of either or both houses of the Legislature, the Legislative Fiscal Bureau, and the Legislative Audit Bureau. The second component relates to DOA drafting and filing the articles of incorporation for the new Private Health Insurance Purchasing Corporation of Wisconsin, designating the initial directors, and drafting by-laws for adoption by the Corporation's board of directors. This is specialized legal work that would take approximately 40-80 hours. This additional workload could be absorbed by the Department's legal counsel staff.

Long-Range Fiscal Implications

Unknown.