

Fiscal Estimate Narratives

OCI 12/2/2013

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| LRB Number 13-3687/1 | Introduction Number SB-001 (DE3) | Estimate Type Original |
| Description Delaying eligibility changes to BadgerCare Plus and BadgerCare Plus Core and delaying other changes to the Medical Assistance program; and extending coverage under, and the deadline for the dissolution of, the Health Insurance Risk-Sharing Plan | | |

Assumptions Used in Arriving at Fiscal Estimate

This bill proposes to extend coverage for individuals covered under HIRSP and Medicaid for 90 days past the proposed end date.

The HIRSP program has been funded without state dollars for more than a decade. It has been funded by charging providers (through discounted medical services), insurers (through an assessment) and members (through premiums). HIRSP currently has approximately \$14 million in reserves. These funds can be used to pay for the 90 day extension of coverage. Since program costs are paid for by providers, insurers, and members, this same funding mechanism can be used to pay for any shortfall. OCI will be administering the program beginning on March 1st. Ongoing administrative costs will continue to be paid through program revenue, as it is now. OCI administers several funds (Local Government Property Fund, State Life Fund, and Injured Patient and Families Compensation Fund) and the HIRSP program will be administered similarly by using program revenue, which is the same as it is now.

Long-Range Fiscal Implications