

1999 DRAFTING REQUEST

Bill

Received: **01/24/2000**

Received By: **kenneda**

Wanted: **Soon**

Identical to LRB:

For: **Administration 267-9546**

By/Representing: **Sue Jablonsky**

This file may be shown to any legislator: NO

Drafter: **kenneda**

May Contact:

Alt. Drafters: **isagerro**

Subject: **Public Assistance - med. assist.
Health - miscellaneous**

Extra Copies:

Pre Topic:

No specific pre topic given

Topic:

Prescription drug plan for low-income elderly

Instructions:

See Attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	kenneda 03/02/2000	wjackson 03/02/2000		_____			State
/1			martykr 03/03/2000	_____	lrb_docadmin 03/03/2000	lrb_docadmin 03/08/2000	

FE Sent For:

<END>

u 11
3/9/00

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1/?	kenneda	1 wlj 3/2	km 3/3	cb 3/ km 3			

FE Sent For:

<END>

STATE OF WISCONSIN
DEPARTMENT OF ADMINISTRATION
DIVISION OF EXECUTIVE BUDGET AND FINANCE
DOA-6187 N(ROBSS)

FACSIMILE COVER MESSAGE

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Location <i>LRB</i>	Room Number	Telephone Number
FROM (Sender) <i>Sue</i>		
Name	Number of Pages Including This Cover Sheet	Facsimile Telephone Number
<i>DOA</i>		(608) 267-0372
Location		Telephone Number
<i>101 East Wilson Street, 10th Floor; Madison, WI 53702</i>	<i>2</i>	

COMMENTS / INSTRUCTIONS

*Ignore my scribbles on the sheet
Thanks,
Sue*

Low-Income Elderly Prescription Drug Savings Plan

Develop a Medicaid Preferred Drug List and Reduce Prices through Prior Authorization

Under this **proposal**, the **state** would **expand Medicaid eligibility** for **some low-income elderly** and **reduce payments for Medicaid recipients and Medicare-eligible individuals aged 65 and over with incomes below 185% of the federal poverty level**. Based on clinical research, the state would develop a Medicaid preferred drug list for certain drug categories. As part of the formation of this list, the state would reduce payments for selected heavily used or high cost drugs. These rate reductions would apply to prescriptions paid by the Medicaid program and would be passed on to certain individuals who pay for their drugs out-of-pocket. Both low-income Medicare beneficiaries and the state would benefit from lower drug prices.

The State Medicaid Program would:

- **Expand Medicaid eligibility** for the elderly by **raising the income threshold**. An additional 2,350 individuals could be covered at an **annual benefit cost** of \$2.4 million **GPR** and 63.4 million **FED**.
Handwritten: \$900 for 1 SSI, \$700 for 2, all other categories
- **Identify drug categories** that account for **significant prescription volume** and **expenditures** for the elderly.
- **Obtain recommendations** from the University (or other reputable research group) **on a list of preferred drugs** within these categories.
Handwritten: Periodically
- **Require prior authorization** for drugs in **these categories that Medicaid does not choose for the preferred drug list**.
Handwritten: as determined by DHS
- **Change current Medicaid reimbursement** for drugs in **selected categories** from **AWP minus 10%** to **AWP minus 15%**, or the **MAC price, whichever is less**. (Stat. change required.)
Handwritten: See Act 989123 (9n)

For drugs dispensed under the Mediwid program, the state would **retain first year savings** of approximately **\$4 million GPR** and use them **to offset total Medicaid drug expenditures**.

For other low-income Medicare beneficiaries the state would:

- **Require by statute that pharmacies**, as a condition of participation in the Medicaid program, **charge low-income elderly individuals with incomes below 185% of the federal poverty level no more than the Medicaid reimbursement rate**. This is expected to save Medicare beneficiaries \$11 million per year. **typical beneficiary** with high drug use could save up to \$800 per year.
- **Determine eligibility for this population and provide recipients with a card**. When **filing a prescription**, recipients would show the card and pharmacies would **contact the state to determine the Medicaid maximum allowed fee** and any **additional discount on the drug**.
Handwritten: who? How?

- **Conduct provider and beneficiary education regarding Medicaid's preferred drug list and other cost-saving options**.
Handwritten: ?

Administration

- **Because the state would bear the administrative costs to verify eligibility and to transmit drug pricing information to pharmacies**, a **separate GPR appropriation of \$1 million Per year** would be required to **cover the cost to administer this program**.
- **The state would need to conduct outreach to inform the target population of this proposal**.

*Will we not
be waver?
Can we
first - is this*

Why?

*Average
wholesale
price
Maximum
allowable
cost*

448.08(1)(b)

(b) “Medical education and research organization” means a medical education and medical research organization operating on a nonprofit basis.

1/25/00

From Sue Galbousky:

People send in application to department + are
issued card by department

DHFS will periodically provide info to pharmacies

4294/1

Questions for DHFS

Bill Burns: 7-9594

2/29/00

✓ (1) On what date are drugs for MA recipients that are not within the approved categories not reimbursable unless DHFS has given prior authorization?

No specific date; DHFS will put prior authorization on overtime

✓ (2) What is "provider and beneficiary education regarding Medicaid's preferred drug list + other cost-saving options"?

Just direct DHFS

to do provider + recip. ed. re preferred drug list

wh/drgs are lower cost alternatives

✓ (3) What to do re 49.45 (8v)?

Doesn't need to be changed or affected

✓ (4) When should 49.45 (8w) (a) take effect? (b)?

- Not necessary to draft ->
Jan 1, 2001
↓
ties into change notes at

✓ (5) When does the program start? 1/1/01

✓ (6) When does MA expanded eligibility start?

Cost?

1/1/01

✓ \$ 1.2 million GPP

20.435(4)(b)

Admin costs \$1,000,000 - eligibility verif.

FRIDAY 3/2

1999 - 2000 LEGISLATURE

4294/1
LRB-30132

DAK:wjl:4

D-NOTE

WR: Inserts
are out of
order.

§ ISR

1999 BILL

INSERT ANAL X

a card, issued by DHFS
after a determination of
eligibility.

, expanding medical
assistance
eligibility

elderly, low-income

Regen

1 AN ACT to create 49.45 (48) of the statutes; relating to: requiring pharmacies
2 and pharmacists, as a condition of medical assistance participation, to charge
3 persons eligible for medical assistance for prescription drugs at no more than the rate
4 reimbursed under medical assistance.

and making
appropriations

(MA)

beginning

Analysis by the Legislative Reference Bureau

2001

~~STET~~
INSERT A1

INSERT ANAL A

the

MA

Under current state law, pharmacies and pharmacists that are certified providers of medical assistance services are reimbursed for the provision of certain prescription drugs to medical assistance recipients at a rate established by the department of health and family services (DHFS). Under current federal law, persons entitled to coverage under Part B of Medicare do not receive coverage for prescription drugs for outpatient care as a benefit.

This bill specifies that, ~~beginning~~ January 1, 2001, as a condition of participation by a pharmacy or pharmacist in the medical assistance program, the pharmacy or pharmacist may not charge persons eligible for Medicare an amount for a prescription drug for outpatient care that exceeds the medical assistance reimbursement rate or the usual and customary rate, whichever is lower, for providing that drug. Persons must provide proof of their entitlement to Medicare to qualify for these reduced charges. DHFS must calculate and transmit to pharmacies and pharmacists that participate in the medical assistance program the medical assistance reimbursement rates for providing prescription drugs and must periodically update this information and transmit the updated information to pharmacies and pharmacists. DHFS must monitor compliance by pharmacies and

INSERT ANAL B

to persons who are aged at least 65 years, who are ineligible for MA and whose incomes do not exceed 185% of the federal poverty line

BILL

pharmacists with the requirement to charge Medicare-eligibles for prescription drugs at the medical assistance reimbursement rate and annually report to the legislature concerning the compliance. DHFS also must report to the legislature if federal law is changed to provide coverage for outpatient prescription drugs as a benefit under Medicare. Lastly, by October 1, 2000, DHFS must conduct a study of the adequacy of reimbursement rates under the medical assistance program in compensating pharmacies and pharmacists for the costs of providing prescription drugs and services.

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

PLEASE CHANGE FONT

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

INSERT 2-1

SECTION 1. ~~49.45 (1)~~ of the statutes is created to read:
PRESCRIPTION DRUG CHARGES; ~~MEDICARE BENEFICIARIES~~. In this & section:

49.688

LOW-INCOME ELDERLY PERSONS

1. "Entitled to coverage under part A of medicare" means eligible for and enrolled in part A of medicare under 42 USC 1395c to 1395i-5.
2. "Entitled to coverage under part B of medicare" means eligible for and enrolled in part B of medicare under 42 USC 1395j to 1395w-28.
3. "Medicare" means coverage under 42 USC 1395 to 1395y.

(a) "Prescription drug" has the meaning given in s. 450.01 (20).

(b) "Prescription order" has the meaning given in s. 450.01 (21).

a card indicating

As a condition of participation by a pharmacy or pharmacist in the program under ~~this section~~, the pharmacy or pharmacist may not charge a person who presents a valid prescription order and ~~proof~~ that he or she ~~is entitled to coverage under part A of medicare or entitled to coverage under part B of medicare~~ an amount for a prescription drug for outpatient care under the order that exceeds the medical assistance reimbursement rate ~~or the usual and customary rate, whichever is lower~~, for providing the corresponding legend drug under s. 49.46 (2) (b) 6. h.

Beginning January 1, 2001,

ss. 49.45, 49.46 and 49.47

INSERT 2-17

meets eligibility requirements under sub. (3)

BILL

and any additional discounts on the drugs

sub. (5)

1

~~The~~ department shall, for the purposes of ~~part (b)~~, calculate and transmit to pharmacies and pharmacists that are certified providers of medical assistance the medical assistance reimbursement rates for providing legend drugs under s. 49.46 (2) (b) 6. h. ~~The~~ department shall periodically update this information and transmit the updated rates to pharmacies and pharmacists.

6

(d) The department shall monitor compliance by pharmacies and pharmacists that are certified providers of medical assistance with the requirements of ~~part (b)~~ and shall annually report to the legislature under s. 13.172 (2) concerning the compliance. The report shall include information on any pharmacies or pharmacists that discontinue participation as certified providers of medical assistance and the reasons given for the discontinuance.

12

(e) If federal law is amended to provide coverage for prescription drugs for outpatient care as a benefit under medicare, the department shall submit a report concerning this fact to appropriate standing committees of the legislature under s. 13.172 (3).

16

~~(f) This subsection does not apply after December 31, 2002.~~

17

SECTION 2: Nonstatutory provisions; health and family services.

18

(1) ~~STUDY OF THE ADEQUACY OF MEDICAL ASSISTANCE PHARMACY REIMBURSEMENT RATES.~~ By January 1, 2001, the department of health and family services shall conduct a study of the adequacy of reimbursement rates under the medical assistance program in compensating pharmacists and pharmacies for the costs of providing prescription drugs and services.

23

(END)

INSERT 3-23 ✓

AUTONUMBER
1

SECTION 1 . 1999 Wisconsin Act 9, section 9123
(9n) is amended to read:

/

/

↓

5. Whether or not the facility's reporting period corresponds to the supplement payment period.

6. Any other factor that the department determines is relevant and that is readily available in the data base of the department.

Vetoed
In Part

(b) In addition to any facility payment rate increases for state fiscal years 1999-2000 and 2000-01, in order to permit a facility, as defined in section 49.45 (6m) (a) 3. of the statutes, to increase, beginning July 1, 1999, wages or salaries and fringe benefits for or increase staff hours of housekeeping and laundry workers, dietitians and food workers, as determined by the department of health and family services, from the appropriations under section 20.435 (4) (b) and (o) of the statutes the department shall, beginning October 1, 1999, supplement facility payment rates under section 49.45 (6m) (av) of the statutes by an amount not to exceed \$3,562,300 in state fiscal year 1999-2000 and \$4,749,800 in state fiscal year 2000-01, or by multiplying the total amount of the wages reported in the 1998 cost reports of facilities by the percentage obtained under paragraph (bg), whichever is less. The department shall calculate each facility's maximum payment per patient day under this paragraph by multiplying by the percentage obtained under paragraph (bg) the amount obtained by dividing the total of the facility's housekeeping and laundry workers', dietitians' and food workers' wages or salaries by the total number of patient days of the facility, as indicated by the facility's 1998 cost reports. Each facility may apply to the department for up to the total maximum amount per patient day calculated for the facility and receive that supplemental amount for each medical assistance day of service provided.

(bg) The department of health and family services shall determine what percentage of the total amount of facilities' wages for housekeeping and laundry workers, dietitians and food workers reported in the 1998 cost reports of facilities will, in the best estimation of the department, most nearly equal the specified amounts of moneys under paragraph (b).

(bm) In order to ensure that a supplement provided to a facility under paragraph (b) was expended in accordance with the purpose specified in paragraph (b), the department of health and family services shall prepare a supplemental application form for completion by facilities in applying for the supplement, to determine whether the facility's housekeeping and laundry workers', dietitians' and food workers', wage or salary and fringe benefits costs per patient day have increased during the period after June 30, 1999, and before July 1, 2000, by a percentage that is at least equal to the percentage of increase obtained under paragraph (bg). The department shall adjust the required percentage increase to account for all of the following:

1. Any payment rate increase or decrease applicable to the facility that is in effect beginning July 1, 1999, and is other than the supplement under paragraph (b).

2. The fact that the wage supplement percentage increase is based only on wages and salaries, while the cost comparison also includes fringe benefits.

Vetoed
In Part

3. Any decrease or increase in the facility's expenditures for contracted labor services.

4. Any change in the facility's patient acuity levels.

5. Whether or not the facility's reporting period corresponds to the supplement payment period.

6. Any other factor that the department determines is relevant and that is readily available in the data base of the department.

(c) If the department of health and family services determines that a supplement under paragraph (a) provided to a facility was not expended as required under paragraph (am) or that a supplement under paragraph (b) provided to a facility was not expended as required under paragraph (bm), the department may recoup that part of the supplement that was not expended as required.

Vetoed
In Part

Non
Stats

(9n) LIMITATION ON REDUCTION OF REIMBURSEMENT FOR PHARMACEUTICAL DRUGS. During the 1999-2001 fiscal biennium, the department of health and family services may not discount the average wholesale price of pharmaceutical drugs provided under section 49.45 of the statutes to medical assistance recipients by more than 10% if the department reimburses for those pharmaceuticals under a formula that takes into account the average wholesale price, and the department may not reduce pharmacy dispensing fees.

except
for
Pharmaceutical
drugs in
Selected
Categories,
as
determined
by the
department

(9q) DENTAL OUTREACH AND EDUCATION. The department of health and family services shall develop a dental outreach and education plan for dentists and medical assistance recipients to educate recipients on the importance of oral health for children and the parent's role in achieving it, how to access dental services, expectations and appropriate behavior in a dental office and the importance of keeping scheduled appointments. The department of health and family services shall develop the plan in consultation with the department of public instruction, the department of workforce development, the Wisconsin dental association, state dental and dental hygiene schools, community health care providers, medical assistance recipients and health care advocates. Not later than January 1, 2000, the department of health and family services shall submit the plan to the governor and to the appropriate standing committees of the legislature in the manner provided under section 13.172 (3) of the statutes. The department of health and family services shall include with the plan a fiscal estimate for implementing the plan on a statewide basis, identifying those components of the plan that would be eligible for funding under federal temporary assistance for needy families block grant funding or federal medical assistance administrative matching funds.

(10e) KINSHIP CARE SUPPLEMENT. From the appropriation under section 20.435 (3) (kc) of the statutes, the department of health and family services shall allocate

Vetoed
In Part

ASSEMBLY BILL

1 the costs of administration of the program of prescription drug assistance for elderly
 2 persons under section 49.688 of the statutes, as created by this act. If the department
 3 of health and family services requests supplementation of the appropriation account
 4 under section 20.435 (4) (a) of the statutes, the department shall submit a plan to the
 5 joint committee on finance to expend not more than \$1,000,000 for fiscal year
 6 1999-2000 and not more than \$1,000,000 for fiscal year 2000-01. If the
 7 cochairpersons of the committee do not notify the secretary of the department within
 8 14 working days after the date of the department's submittal that the committee
 9 intends to schedule a meeting to review the request, the appropriation account shall
 10 be supplemented as provided in therequest. If, within 14 working days after the date
 11 of the department's submittal, the cochairpersons of the committee notify the
 12 secretary of the department that the committee intends to schedule a meeting to
 13 review the request, the appropriation account shall be supplemented only as
 14 approved by the committee. Notwithstanding section 13.101 (3)(a) 1. of the statutes,
 15 the committee is not required to find that an emergency exists.

16 SECTION 6. ~~Appropriation changes; joint committee on finance.~~

② health and family services

17 (1) **PRESCRIPTION DRUG ASSISTANCE FOR ELDERLY; ADMINISTRATION.** In the schedule
 18 under section 20.005 (3) of the statutes for the appropriation to the ~~joint committee~~
 19 ~~on finance~~ under section ~~20.005~~ ^{20.435} (4) (a) of the statutes, as affected by the acts of 1999,
 20 the dollar amount is increased by \$1,000,000 for fiscal year 1999-00 and the dollar
 21 amount is increased by \$1,000,000 for fiscal year 2000-01 to increase funding for
 22 administration of the prescription drug assistance for elderly program under section
 23 49.688 of the statutes, as created by this act.

(END)

department of health and family services



1999

Nonstat File Sequence: **DDD**

LRB _____ 9 _____

\$\$\$ CECANGE

1. In the component bar:

For the action phrase, execute: create → action: → *NS: → \$change

For the budget action phrase, execute: create → action: → *NS: → 92XX

For the text, execute: create → text: → *NS: → \$change

2. Nonstatutory subunits are numbered automatically if "(#1)", "(#2)", etc., is filled in. Below, for the budget, fill in the 9200 department code; and fill in "___" or "()" only if a "frozen" number is needed.

SECTION # 2 [92] Appropriation changes:

.....

(#1) ⁽²⁾ VA EXPANDED MEDICAL ASSISTANCE
 ELIGIBILITY; BENEFIT^(CS) In the schedule under section
 20.005 (3) of the statutes for the appropriation to the department of
 health and family services
 under section 20.435 (4) (b) of the statutes, as affected by the acts of
 1999, the dollar amount is increased by for fis-
 cal year 1999-00 and the dollar amount is increased
 by \$ I, 2,000,000. for fiscal year 2000-01 to increase funding
 for the purposes for which the appropriation is made to increase fund-
 ing for expanded eligibility for medical assistance
 program benefits -3.2.....

.....

* Use the 2nd alternative if the purpose of the increase or decrease is more limited than the purpose or purposes of the appropriation as currently shown in the text of ch. 20, stats.

\$\$\$ CHANGE

1. In the component bar:

For the action phrase, execute: create → action: → *NS: → \$change

For the budget action phrase, execute: create → action: → *NS: → 92XX

For the text, execute: create → text: → *NS: → \$change

2. Nonstatutory subunits are numbered automatically if "(#1)", "(#2)", etc., is filled in. Below, for the budget, fill in the 9200 department code; and fill in "___" or "()" only if a "frozen" number is needed.

SECTION # [92]. Appropriation changes;...

.....

(#³) ^(C) EXPANDED MEDICAL ASSISTANCE ELIGIBILITY;
 ADMINISTRATION^(C)..... In the schedule under section
 20.005 (3) of the statutes for the appropriation to the department of.....
 health and family services.....
 under section 20.4.3.5 (4) (bm) of the statutes, as affected by the acts of
 1999, the dollar amount is ~~increased~~ increased by \$, for fis-
 cal year 1999-00 and the dollar amount is increased
 by \$, 000, 000 for fiscal year 2000-01 ~~to increase funding~~
 for the [purpose] [purposes] for which the appropriation is made to increase fund-
 ing for administration of expanded eligibility for.....
 medical assistance program benefits.....

.....

* Use the 2nd alternative if the purpose of the increase or decrease is more limited than the purpose or purposes of the appropriation as currently shown in the text of ch. 20, stats.

1999

Nonstat File Sequence: **FFF**

LRB _____,

_____ : _____ : _____

EFFECTIVE DATE

1. In the component bar: For the action phrase, execute: . . . **create** → **action:** → *NS: → **effdate**
For the text, execute: **create** → **text:** → *NS: → **effdateA**
2. Nonstatutory subunits are numbered automatically if "(#1)", "(#2)", etc., is filled in. Below, fill in "____" or "()" only if a "frozen" number is needed.

SECTION # _____ . Effective date.

(#1) () This act takes effect on

1. In the component bar: For the action phrase, execute: . . **create** → **action:** → *NS: → **effdateE**
For the text, execute: **create** → **text:** → *NS: → **effdate**
2. Nonstatutory subunits are numbered automatically if "(#1)", "(#2)", etc., is filled in. Below, fill in "____" or "()" only if a "frozen" number is needed.

SECTION # 1 . Effective dates: 1 .

..... This act takes effect on the day after publication, except as follows:
(#1) 1 MEDICAL ASSISTANCE REIMBURSEMENT FOR PHARMACEUTICAL DRUGS
sections SECTION (AUTONUMBER 1) of this act
of the statutes takes effect on January 1, 2001

1. In the component bar: For the budget action phrase, **execute:..create** → **action:** → *NS: → **94XX**
For the **text**, execute: **create** → **text:** → *NS: → **effdate**
2. Nonstatutory subunits are numbered automatically if "(#1)", "(#2)", etc., is filled in. Below, for the budget, fill in the 9400 department code; and fill in "()" only if a "frozen" number is needed.

SECTION 94 _____ . Effective dates;

(#1) () The treatment of sections of the statutes takes effect on

(End)
D-NOTE

No 4

Also under current law, as enacted in 1999 Wisconsin

Act 9 (the biennial budget act), DHFS may not

discount the average wholesale price of pharmaceutical
drugs provided to MA recipients if DHFS reimburses

for those drugs under a formula that takes into
account the average wholesale price, nor may

DHFS reduce pharmacy dispensing fees.

Beginning January 1, 2001,

Insert A1

Under current law, an individual who is 65 years of age or older is eligible to receive ~~medical assistance~~ ~~MA~~ if he or she meets certain income and asset requirements. Currently, to satisfy the income requirements for MA eligibility, an individual who is 65 years of age or older must have an income that does not exceed 133.33% of the maximum payment amount under the former aid to families with dependent children (AFDC) program.

10 This bill increases the maximum income level for individuals 65 years of age or older to ~~133.33%~~ ^{185%} of the federal poverty level.

Insert & 2-1 (continued)

~~SECTION~~ [#] 49.47 (4) (aq) of the statutes is created to read:

49.47 (4) (aq) 1. Subject to subd. ²/_k an individual who does not meet the limitation on income under par. (c) is eligible for medical assistance if the individual is 65 years of age or older and the individual's income does not exceed ~~133.33%~~ ^{185%} of the federal poverty level.

2. If a federal waiver is necessary to provide medical assistance to individuals specified in subd. 1., the department shall request a waiver from the secretary of the federal department of health and human services before providing medical assistance under this paragraph.

~~SECTION~~ [#] 49.47 (4) (b) 2m. b. of the statutes is amended to read:

49.47 (4) (b) 2m. b. For persons who are eligible under par. (a) ~~3- or 4.~~ or (aq), motor vehicles are exempt from consideration as an asset to the same extent as provided under 42 USC 1381 to 1385.

History: 1971 c. 125; 1971 c. 213 s. 5; 1971 c. 215; 1973 c. 90, 147, 333; 1977 c. 29 ss. 593, 1656 (18); 1977 c. 105 s. 59; 1977 c. 273, 418, 1979 c. 34; 1981 c. 20, 93; 1981 d. 99B as. 16, 269, 277, 437; 1981 c. 852; 1987 s. 28; 1987 m. 202807, 2991, 313; 1988 s. 225, 289, 295; 1997 c. 227 to 1966 d, 2909 c to 2909 i; 1989 a. 173, 336, 351; 1991 a. 39, 178, 269, 316; 1999 s. 10, 202, 211, 212, 222, 223, 224, 225, 226, 227, 228, 229, 230, 231, 232, 233, 234, 235, 236, 237, 238, 239, 240, 241, 242, 243, 244, 245, 246, 247, 248, 249, 250, 251, 252, 253, 254, 255, 256, 257, 258, 259, 260, 261, 262, 263, 264, 265, 266, 267, 268, 269, 270, 271, 272, 273, 274, 275, 276, 277, 278, 279, 280, 281, 282, 283, 284, 285, 286, 287, 288, 289, 290, 291, 292, 293, 294, 295, 296, 297, 298, 299, 300, 301, 302, 303, 304, 305, 306, 307, 308, 309, 310, 311, 312, 313, 314, 315, 316, 317, 318, 319, 320, 321, 322, 323, 324, 325, 326, 327, 328, 329, 330, 331, 332, 333, 334, 335, 336, 337, 338, 339, 340, 341, 342, 343, 344, 345, 346, 347, 348, 349, 350, 351, 352, 353, 354, 355, 356, 357, 358, 359, 360, 361, 362, 363, 364, 365, 366, 367, 368, 369, 370, 371, 372, 373, 374, 375, 376, 377, 378, 379, 380, 381, 382, 383, 384, 385, 386, 387, 388, 389, 390, 391, 392, 393, 394, 395, 396, 397, 398, 399, 400, 401, 402, 403, 404, 405, 406, 407, 408, 409, 410, 411, 412, 413, 414, 415, 416, 417, 418, 419, 420, 421, 422, 423, 424, 425, 426, 427, 428, 429, 430, 431, 432, 433, 434, 435, 436, 437, 438, 439, 440, 441, 442, 443, 444, 445, 446, 447, 448, 449, 450, 451, 452, 453, 454, 455, 456, 457, 458, 459, 460, 461, 462, 463, 464, 465, 466, 467, 468, 469, 470, 471, 472, 473, 474, 475, 476, 477, 478, 479, 480, 481, 482, 483, 484, 485, 486, 487, 488, 489, 490, 491, 492, 493, 494, 495, 496, 497, 498, 499, 500, 501, 502, 503, 504, 505, 506, 507, 508, 509, 510, 511, 512, 513, 514, 515, 516, 517, 518, 519, 520, 521, 522, 523, 524, 525, 526, 527, 528, 529, 530, 531, 532, 533, 534, 535, 536, 537, 538, 539, 540, 541, 542, 543, 544, 545, 546, 547, 548, 549, 550, 551, 552, 553, 554, 555, 556, 557, 558, 559, 560, 561, 562, 563, 564, 565, 566, 567, 568, 569, 570, 571, 572, 573, 574, 575, 576, 577, 578, 579, 580, 581, 582, 583, 584, 585, 586, 587, 588, 589, 590, 591, 592, 593, 594, 595, 596, 597, 598, 599, 600, 601, 602, 603, 604, 605, 606, 607, 608, 609, 610, 611, 612, 613, 614, 615, 616, 617, 618, 619, 620, 621, 622, 623, 624, 625, 626, 627, 628, 629, 630, 631, 632, 633, 634, 635, 636, 637, 638, 639, 640, 641, 642, 643, 644, 645, 646, 647, 648, 649, 650, 651, 652, 653, 654, 655, 656, 657, 658, 659, 660, 661, 662, 663, 664, 665, 666, 667, 668, 669, 670, 671, 672, 673, 674, 675, 676, 677, 678, 679, 680, 681, 682, 683, 684, 685, 686, 687, 688, 689, 690, 691, 692, 693, 694, 695, 696, 697, 698, 699, 700, 701, 702, 703, 704, 705, 706, 707, 708, 709, 710, 711, 712, 713, 714, 715, 716, 717, 718, 719, 720, 721, 722, 723, 724, 725, 726, 727, 728, 729, 730, 731, 732, 733, 734, 735, 736, 737, 738, 739, 740, 741, 742, 743, 744, 745, 746, 747, 748, 749, 750, 751, 752, 753, 754, 755, 756, 757, 758, 759, 760, 761, 762, 763, 764, 765, 766, 767, 768, 769, 770, 771, 772, 773, 774, 775, 776, 777, 778, 779, 780, 781, 782, 783, 784, 785, 786, 787, 788, 789, 790, 791, 792, 793, 794, 795, 796, 797, 798, 799, 800, 801, 802, 803, 804, 805, 806, 807, 808, 809, 810, 811, 812, 813, 814, 815, 816, 817, 818, 819, 820, 821, 822, 823, 824, 825, 826, 827, 828, 829, 830, 831, 832, 833, 834, 835, 836, 837, 838, 839, 840, 841, 842, 843, 844, 845, 846, 847, 848, 849, 850, 851, 852, 853, 854, 855, 856, 857, 858, 859, 860, 861, 862, 863, 864, 865, 866, 867, 868, 869, 870, 871, 872, 873, 874, 875, 876, 877, 878, 879, 880, 881, 882, 883, 884, 885, 886, 887, 888, 889, 890, 891, 892, 893, 894, 895, 896, 897, 898, 899, 900, 901, 902, 903, 904, 905, 906, 907, 908, 909, 910, 911, 912, 913, 914, 915, 916, 917, 918, 919, 920, 921, 922, 923, 924, 925, 926, 927, 928, 929, 930, 931, 932, 933, 934, 935, 936, 937, 938, 939, 940, 941, 942, 943, 944, 945, 946, 947, 948, 949, 950, 951, 952, 953, 954, 955, 956, 957, 958, 959, 960, 961, 962, 963, 964, 965, 966, 967, 968, 969, 970, 971, 972, 973, 974, 975, 976, 977, 978, 979, 980, 981, 982, 983, 984, 985, 986, 987, 988, 989, 990, 991, 992, 993, 994, 995, 996, 997, 998, 999, 1000.

~~SECTION~~ [#] 49.47 (4) (b) 2r. of the statutes is amended to read:

49.47 (4) (b) 2r. For a person who is eligible under par. (a) ~~3- or 4.~~ or (aq), the value of any burial space or agreement representing the purchase of a burial space

held for the purpose of providing a place for the burial of the person or any member of his or her immediate family.

History: 1971 c. 125; 1971 c. 213 s. 5; 1971 c. 215; 1973 c. 90, 147, 333; 1977 c. 29 ss. 593,1656 (18); 1977 c. 105 s. 59; 1977 c. 273,418; 1979 c. 34; 1981 c. 20, 93; 1981 c. 314 s. 144; 1983 a. 27,245; 1985 a. 27, 307, 399, 413; 1989 a. 9; 1989 a. 31 ss. 1462k to 14664, 2909c to 2909i; 1989 a. 173, 336, 351; 1991 a. 39, 178, 269, 316; 1993 a. 16, 269, 277, 437; 1995 a. 27, 3026 to 3028, 9126 (19); 1995 a. 225, 289, 295; 1997 a. 27; 1999 a. 9.

SECTION 49.47 (4) (b) 2w. of the statutes is amended to read:

49.47 (4) (b) 2w. For a person who is eligible under par. (a) ~~3.~~ or (a), life insurance with cash surrender values if the total face value of all life insurance policies is not more than \$1,500.

History: 1971 c. 125; 1971 c. 213 s. 5; 1971 c. 215; 1973 c. 90, 147, 333; 1977 c. 29 ss. 593,1656 (18); 1977 c. 105 s. 59; 1977 c. 273,418; 1979 c. 34; 1981 c. 20, 93; 1981 c. 314 s. 144; 1983 a. 27, 245, 1985 a. 16, 269, 277, 437; 1989 a. 9; 1989 a. 31 ss. 1462k to 14664, 2909c to 2909i; 1989 a. 173, 336, 351; 1991 a. 39, 178, 269, 316; 1993 a. 16, 269, 277, 437; 1995 a. 27, 3026 to 3028, 9126 (19); 1995 a. 225, 289, 295; 1997 a. 27; 1999 a. 9.

SECTION 49.47 (4) (b) 3. of the statutes is amended to read:

49.47 (4) (b) 3. For a person who is eligible under par. (a) ~~3.~~ or (a), funds set aside to meet the burial and related expenses of the person and his or her spouse in an amount not to exceed \$1,500 each, minus the sum of the cash value of any life insurance excluded under subd. 2w. and the amount in any irrevocable burial trust under s. 445.125 (1) (a).

History: 1971 c. 125; 1971 c. 213 s. 5; 1971 c. 215; 1973 c. 90, 147, 333; 1977 c. 29 ss. 593, 1656 (18); 1977 c. 105 s. 59; 1977 c. 273,418; 1979 c. 34; 1981 c. 20, 93; 1981 c. 314 s. 144; 1983 a. 27, 245; 1985 a. 16, 269, 277, 437; 1989 a. 9; 1989 a. 31 ss. 1462k to 14664, 2909c to 2909i; 1989 a. 173, 336, 351; 1991 a. 39, 178, 269, 316; 1993 a. 16, 269, 277, 437; 1995 a. 27, 3026 to 3028, 9126 (19); 1995 a. 225, 289, 295; 1997 a. 27; 1999 a. 9.

SECTION 49.47 (4) (c) 1. of the statutes is amended to read:

49.47 (4) (c) 1. Except as provided in ~~par.~~ pars. (am) and (a) and as limited by subd. 3., eligibility exists if income does not exceed 133 1/3% of the maximum aid to families with dependent children payment under s. 49.19 (11) for the applicant's family size or the combined benefit amount available under supplemental security income under 42 USC 1381 to 1383c and state supplemental aid under s. 49.77 whichever is higher. In this subdivision "income" includes earned or unearned income that would be included in determining eligibility for the individual or family under s. 49.19 or 49.77, or for the aged, blind or disabled under 42 USC 1381 to 1385. "Income" does not include earned or unearned income which would be excluded in

determining eligibility for the individual or family under s. 49.19 or 49.77, or for the aged, blind or disabled individual under 42 USC 1381 to 1385.

History: 1971 c. 125; 1971 c. 213 s. 5; 1971 c. 215; 1973 c. 90, 147, 333; 1977 c. 29 ss. 593, 1656 (18); 1977 c. 105 s. 59; 1977 c. 4 11979 34, 1981 20, 93; 1981 c. 314 s. 144; 1983 a. 27, 245; 1985 a. 29; 1987 a. 27, 307, 399, 413; 1989 a. 9; 1989 s. 1462k to 1466d, 2909c to 2909i; 1989 a. 173, 336, 351; 1994 a. 39, 178, 269, 316; 1993 a. 16, 269, 277, 437; 1995 a. 27 ss. 3026 to 3028, 9126 (19); 1995 a. 225, 289, 295; 1997 a. 27; 1999 a. 9.

SECTION 7. 49.47 (4) (c) 3. of the statutes is amended to read:

49.47 (4) (c) 3. Except as provided in ~~par.~~ pars. (am) and (aq), no person is eligible for medical assistance under this section if the person's income exceeds the maximum income levels that the U.S. department of health and human services sets for federal financial participation under 42 USC 1396b (f).

History: 1971 c. 125; 1971 c. 213 s. 5; 1971 c. 215; 1973 c. 90, 147, 333; 1977 c. 29 ss. 593, 1656 (18); 1977 c. 105 s. 59; 1977 c. 273, 418; 1979 c. 34; 1981 c. 20, 93; 1981 c. 314 s. 144; 1983 a. 27, 245; 1985 a. 29; 1987 a. 27, 307, 399, 413; 1989 a. 9; 1989 a. 31 ss. 1462k to 1466d, 2909c to 2909i; 1989 a. 173, 336, 351; 1994 a. 39, 178, 269, 316; 1993 a. 16, 269, 277, 437; 1995 a. 27 ss. 3026 to 3028, 9126 (19); 1995 a. 225, 289, 295; 1997 a. 27; 1999 a. 9.

SECTION 8. 49.47 (4) (i) 2. (intro.) of the statutes is amended to read:

49.47 (4) (i) 2. (intro.) Notwithstanding par. (b) 2r. and 3., a person who is described in par. (a) ~~3. or 4.~~ or (aq) is not eligible for benefits under this section if any of the following criteria is met:

History: 1971 c. 125; 1971 c. 213 s. 5; 1971 c. 215; 1973 c. 90, 147, 333; 1977 c. 29 ss. 593, 1656 (18); 1977 c. 105 s. 59; 1977 c. 273, 418; 1979 c. 34; 1981 c. 20, 93; 1981 c. 314 s. 144; 1983 a. 27, 245; 1985 a. 29; 1987 a. 27, 307, 399, 413; 1989 a. 9; 1989 a. 31 ss. 1462k to 1466d, 2909c to 2909i; 1989 a. 173, 336, 351; 1994 a. 39, 178, 269, 316; 1993 a. 16, 269, 277, 437; 1995 a. 27 ss. 3026 to 3028, 9126 (19); 1995 a. 225, 289, 295; 1997 a. 27; 1999 a. 9.

SECTION 9. Initial applicability.

(1) The treatment of section 49.47 (4) ~~1a/1b~~ (aq)[✓], (b) 2m. b.^J, 2r.[✓], 2w.[✓] and 3.[✓], (c) 1.[✓] and 3.[✓] and (i) (2) (intro.)[✓] of the statutes first applies to eligibility determinations made for medical assistance on ~~the effective date of this subsection.~~

January
#1, 2001

INSERT TO BE
MOVED BETWEEN
APP. CHANGES
AND EFF. DATES.

for these selected categories to the current prohibition
on reducing MA reimbursement for pharmaceutical drugs.

effective January 1, 2001,

END
INSERT
ANAL A

No
4

provide information and education to pharmacians,
pharmacists and persons aged at least 65 years
concerning the program of reduced prescription drug charges
for elderly persons and concerning preferred pharmaceutical
drugs within categories of drugs that account for
significant volume and expenditure by elderly
persons.

Section # . CR; 49.45(2)(a) 25. ✓

pharmaceutical

49.45 (2)(a) 25. Identify categories of drugs
=

that account for significant prescription order

volume and expenditure by persons who are

aged at least 65 years and periodically obtain

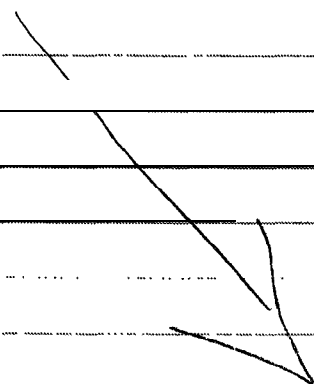
recommendations from the School of Pharmacy

at the University of Wisconsin^M - Madison

or a similar medical education and research

organization, as defined in s. 448.08 (1)(b), ✓

as to preferred drugs within the categories



SECTION # . CR, 49.45 (8w)

49.45 (8w) ^(CS) PRESCRIPTION DRUGS; PRIOR AUTHORIZATION;

^(CS) REIMBURSEMENT. (a) ^{Provision of a} prescription drug, as defined in s. 450.01 (20), ^{that is not a preferred drug under sub. (2)(a) 25. and that is} provided to an individual aged at least

65 years under s. 49.46 (2)(b) 6.h. is reimbursable under medical assistance only if the pharmacist or pharmacy that provides the drug receives prior authorization from the department for the provision.

¶ (b) Beginning January 1, 2001, the rate for reimbursement for drugs under s. 49.46 (2)(b) 6.h.

ⁱⁿ in selected categories, as determined by the department, is the average wholesale price minus 15% or the maximum allowable

cost, as determined by the department, whichever is less ①

* GO TO INSERT 2-1 on -4294/1 via ISR

who is ineligible for medical assistance

(B)

¶ (3) ~~is~~ A person who is at least 65 years of age and whose income does not exceed 185% of the poverty line is eligible to purchase a prescription drug at the amount specified in sub. (2). The person may apply to the department, on a form provided by the department, for a determination of eligibility and issuance of a prescription drug card for purchase of prescription drugs under this section.

and distribute

(B)

¶ (4) The department shall devise a form for application for the program under this section, shall determine eligibility of applicants and shall issue to eligible persons a prescription drug card for use in purchasing prescription drugs at the amount specified in sub. (2).

section

of applicants

§ (b) ⁽³⁾ The department shall provide information and education to pharmacies, pharmacists and persons aged at least 65 years concerning the program under this section and concerning the preferred drugs under s. 49.45 (2)(a) 25.

D - NOTE

¶ Please read this draft very carefully; I have
these questions about it:

¶ 1. Under s. 49.45 (8w), does the pharmacy or
pharmacist or the individual obtain the prior
authorization? I have drafted the former.

¶ 2. Is s. 49.688 (5) accurate as stated?

DAK

3/8/00

From Sue Jablonsky (DOA)

Gov's bill 99-4294/1 may be released to
Rep. Foti for jacketing

LRB-4294

DAH + ISR

AB-870

Page 7, line 1: delete "[u]disconsin" and substitute
"u]disconsin".

Page 7, line 21: delete "\$1,200,000" and
substitute "\$1,200,000".

JLG



State of Wisconsin
1999-2000 LEGISLATURE

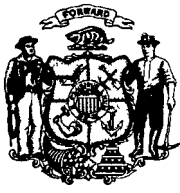
CORRECTIONS IN:

1999 ASSEMBLY BILL 870

Prepared by the Legislative Reference Bureau
(March 13, 2000)

1. Page 7, line 1: delete "[Wisconsin" and substitute "Wisconsin".
2. Page 7, line 21: delete "\$1,2000,000" and substitute "\$1200,000".

Page 8, line 10: delete the material beginning with "The" and ending with "treatment of" on line 11. ~~and substitute~~
↑



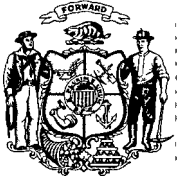
State of Wisconsin
1999-2000 LEGISLATURE

CORRECTIONS IN:

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3. Page 8, line 10: delete the material beginning with "The" and ending with "treatment of" on line 11.



STEPHEN R MILLER
CHIEF

State of Wisconsin

LEGISLATIVE REFERENCE BUREAU

100 NORTH HAMILTON STREET
P. O. BOX 2037
MADISON, WI 53701-2037

LEGAL SECTION (608) 266-3561
LEGAL FAX (608) 264-8522
REFERENCE SECTION (608) 266-0341
REFERENCE FAX (608) 266-5648

FISCAL ESTIMATES

BILL NUMBER:

ASSEMBLY BILL 870

Note: The analysis of this bill states that a fiscal estimate was required for this bill. A request was made though the department of administration to have a fiscal estimate prepared. The agency(s) assigned to prepare a fiscal estimate for this bill did not return a estimate for this bill so none are included in this file.