

1999 DRAFTING REQUEST

Bill

Received: **10/6/98**

Received By: **yacketa**

Wanted: **As time permits**

Identical to LRB:

For: **Administration-Budget**

By/Representing: **Sajna**

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

Drafter: **kahlepj**

May Contact:

Alt. Drafters:

Subject: **Dom. Rel. - child support**

Extra Copies:

Topic:

DOA:.....Sajna - Insurance company disclosure

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>
/?	kahlepj 11/2/98	gilfokm 11/5/98					
/1			jfrantze 11/5/98		lrb_docadmin 11/5/98		

FE Sent For:

<END>

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1?	kahlepj	1-11-5 Kmg	8/10/5	8/10/5 Km			

FE Sent For:

<END>

TINA? 1.
PAM

DEPARTMENT OF WORKFORCE DEVELOPMENT
FY 1999-2001 BIENNIAL BUDGET
STATUTORY LANGUAGE PROPOSAL

Division: DES Bureau of Child Support
Appropriation:
Issue: Insurance Company Disclosure
Contact: Susan E. Pfeiffer 267-0926
Connie Chesnik 266-9427

PROBLEM

S.49.475 of the Wisconsin Statutes requires insurance companies to provide health insurance information to the Dept. of Health and Family Services to identify beneficiaries of medical assistance who are covered by insurance.

The confidentiality agreement between DHFS and the insurance companies already permits DHFS to share this information for child support purposes, but that only applies to children who are receiving medical assistance.

The Department of Workforce Development would like insurance companies to provide the same information directly to DWD for all spouses and children for whom there is a child support or family support order in place.

PROPOSED CHANGE

Amend the following:

- Title of section 49.475 Information about ~~medical assistance~~ health insurance beneficiaries.
- 49.475 (2) DISCLOSURE TO DEPARTMENTS An insurer that issues or delivers a disability insurance policy that provides coverage to a resident of this state shall provide to the ~~department~~ department of health and family services and to the department of workforce development, upon the departments' request, information contained in the insurer's records regarding all of the following:
- 49.475(2)(a) Information that the department needs to identify beneficiaries of medical assistance or spouses or children for whom there is a child support or family support order in place who satisfy any of the following:
- 49.475(3) WRITTEN AGREEMENTS Upon requesting an insurer to provide the information under sub.(2), the departments shall enter into written agreements with the insurer that satisfies all of the following:

EXPLANATORY NOTE

- The Section title needs changing to reflect that information is being asked for additional purposes than for medical assistance beneficiaries.
- The Dept. of Health and Family Services already have their confidentiality agreements in place with the insurance companies. Therefore, the Dept. of Workforce Development will need to do separate agreements with the insurance companies.

FISCAL IMPACT

See attached fiscal estimate.

DESIRED EFFECTIVE DATE

The day after the publication of the enacted budget bill.

Sajna, Jennifer

From: Chesnik, Constance
Sent: Wednesday, October 14, 1998 4:18 PM
To: Sajna, Jennifer
Subject: RE: Question on Insurance Disclosure

We have had a number of internal discussions in response to your questions, so I apologize for the delay in responding. I wasn't sure what the response would be! Our original proposal did intend that there would be a separate relationship with the insurance companies. The reason was based on our past experience with DOH. They did not share the tape with us. Instead, we were required to get our information from CARES. However, DOH only put MA information off the tape on CARES and there were also numerous interface problems. If the statutory language required DOH to share the tape that they get with us (NOTE: preferably 'required', not 'permitted') we would not have to have a direct relationship with the insurance companies. We do realize that we would need to share the cost of obtaining the tape with DOH, but our understanding is that that is a very minimal expense, particularly in light of what we would save not having to program something into the KIDS system to obtain the information. We will have the revised proposal and fiscal estimate to you this week.

*Check
Constance
Disability
DOH
Health
Insurance?*

-----Original Message-----
From: Sajna, Jennifer -DOA
Sent: Friday, October 09, 1998 11:03 AM
To: Chesnik, Constance
Cc: Nikolay, Bob
Subject: Question on Insurance Disclosure

=====

I got your message earlier this week indicating that the insurance companies already send a tape to DHFS with all of the necessary detail so there is no additional burden on the insurance companies.

My current questions have to do with the current law language under which DHFS reimburses the insurance agencies for their costs and pays EDS to do the match for them. 1) The way the request is written, it looks like DWD wants a direct a separate relationship with the insurance agencies. That is not correct, right? Aren't you planning on working through DHFS/EDS? In which case maybe we should just add a clause that indicates that DHFS may share data received with BCS.

2) If EDS is going to do additional work specifically for DWD, DOH will not want to pay for that. They may very well argue that BCS should split any other the costs related to reimbursing the insurance agencies. Is BCS prepared to pay for any costs related to this request and from what appropriations?

Let me know what you think?

PJK

DEPARTMENT OF WORKFORCE DEVELOPMENT
FY 1999-2001 BIENNIAL BUDGET
STATUTORY LANGUAGE PROPOSAL FORMAT

Division: Economic Support
Issue: Insurance Company Disclosure
Contact: Susan Pfeiffer

PROBLEM

S. 49.475 of the Wisconsin Statutes requires insurance companies to provide health insurance information in the insurer's records to the Department of Health and Family Services. The confidentiality agreement between the Division of Health Care Financing and the insurance companies specifically provides that that information may be shared with child support agencies. The Department of Workforce Development would like the statute itself to require the Division of Health Care Financing to share the information obtained from insurance companies directly with DWD.

PROPOSED CHANGE

Amend s.49.475 to require the Division of Health Care Financing to share the information obtained from insurance companies under that section directly with the Department of ~~Workforce Development~~ Workforce Development.



State of Wisconsin
1999 - 2000 LEGISLATURE

LRB-0498
PJK

King

DOA:.....Sajna - Insurance company disclosure

FOR 1999-01 BUDGET - NOT READY FOR INTRODUCTION

*J-note
500W
(11-2)*

*do not
you cut*

1 AN ACT *relating to:* sharing health insurance coverage information obtained
2 from insurers.

eligible, **Analysis by the Legislative Reference Bureau**
HEALTH AND HUMAN SERVICES *as dependents,*
OTHER HEALTH AND HUMAN SERVICES

Under current law, the department of health and family services (DHFS) may request from health insurers information to enable DHFS to identify medical assistance beneficiaries who are, or who would be eligible for health insurance coverage. An insurer must provide the information within a certain period of time. Under the bill, DHFS is ~~required~~ to provide any information that it receives from a health insurer to the department of workforce development (DWD). The two departments must agree on procedures to safeguard the confidentiality of the information.

authorized

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

3 SECTION 1. 49.475 (6) of the statutes is created to read:

4 49.475 (6) SHARING INFORMATION. The department ~~shall~~ *may* provide to the
5 department of workforce development any information that ~~it~~ receives under this

the department

1 section. The 2 departments shall agree on procedures and methods to adequately
2 safeguard the confidentiality of the information provided.

3 (END)

D - note

**DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU**

LRB-0498/rdn

PJK/ST:...

King

I assume that any payment by DWD to DHFS can be handled under existing appropriations, such as ss. 20.435 (1) (kx) and 20.445 (3) (a). Let me know, however, if you would like to see something in the draft that specifically requires payment or that specifies appropriations or both.

Pamela J. Kahler
Senior Legislative Attorney
266-2682

I was able to change this draft ~~to~~ from "shall" to "may" before it was typed.

**DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU**

LRB-0498/1dn
PJK:kmg&pgt:jf

November 5, 1998

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Pamela J. Kahler
Senior Legislative Attorney
266-2682



State of Wisconsin
1999 - 2000 LEGISLATURE

LRB-0498/1
PJK:kmg&pgt:jf

DOA:.....Sajna – Insurance company disclosure

FOR 1999-01 BUDGET — NOT READY FOR INTRODUCTION

1 AN ACT ...; relating to: sharing health insurance coverage information obtained
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Analysis by the Legislative Reference Bureau

HEALTH AND HUMAN SERVICES

OTHER HEALTH AND HUMAN SERVICES

Under current law, the department of health and family services (DHFS) may request from health insurers information to enable DHFS to identify medical assistance beneficiaries who are eligible, or who would be eligible as dependents, for health insurance coverage. An insurer must provide the information within a certain period of time. Under the bill, DHFS is authorized to provide any information that it receives from a health insurer to the department of workforce development (DWD). The two departments must agree on procedures to safeguard the confidentiality of the information.

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3 (END)