



State of Wisconsin
Department of Health and Family Services

Tommy G. Thompson, Governor
Joe Leean, Secretary

DHFS SUPPORT FOR 1999 AB 414
BEFORE THE
SENATE COMMITTEE ON HEALTH, UTILITIES, VETERANS & MILITARY AFFAIRS
MARCH 8, 2000

The Department of Health and Family Services supports 1999 Assembly Bill 414 as an improvement to our laws governing the certification of providers in the Health Insurance Risk Sharing Plan (HIRSP).

Certification as a HIRSP provider is a necessary requirement prior to any payment for services eligible for HIRSP reimbursement. As a matter of administrative simplification, our laws direct that our certification process be that of Medicaid certification. AB 414 replaces Medicaid certification for out-of-state providers with a certification requirement to be specified by the department. This will allow us to utilize a HIRSP specific certification form with out-of-state providers.

AB 414 addresses the all too common situation of out-of-state providers who object to certification on the grounds that the certification process used is that for the Medicaid program. They cite reluctance to become involved with another state's Medicaid program, or fear that their reimbursement will be that for Medicaid covered services. Neither fear is grounded in any legitimate occurrence, but this resistance has resulted in some very difficult situations for HIRSP policyholders who need medical care outside of Wisconsin.

DHFS also supports AB 414 because the department wants to simplify the out-of-state provider certification process as much as possible. Akin to any health network certification form, the revised form will request documentation of basic qualifications such as licensure. We are also considering the practicality of "cluster" certification – having one certification process for out-of-state hospitals that then automatically certifies all affiliated individual providers such as labs or physicians, and so forth.

Finally, the new certification form allowed under AB 414 will also serve as a provider agreement such that by becoming a HIRSP provider, these out-of-state providers agree to accept HIRSP payment as payment in full. Under Wisconsin law, there cannot be any "balance billing" of HIRSP policyholders; payment is payment in full. By establishing a contractual arrangement through a HIRSP specific provider agreement, HIRSP will gain legal authority to assert its prohibition on balance billing outside of the state's boundaries.

Thank you for your support of AB 414.