

2003 DRAFTING REQUEST

Bill

Received: **01/14/2003**

Received By: **pkahler**

Wanted: **Soon**

Identical to LRB:

For: **Administration-Budget 7-7980**

By/Representing: **Blaine**

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

Drafter: **pkahler**

May Contact:

Addl. Drafters:

Subject: **Health - medical assistance**
Health - miscellaneous
Public Assistance - misc

Extra Copies:

Submit via email: **NO**

Pre Topic:

DOA:.....Blaine - BB0352,

Topic:

Cost-sharing under Medical Assistance and BadgerCare

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>
/?	pkahler 01/15/2003	jdye 01/16/2003 jdye 01/20/2003		_____			State
/P1			jfrantze 01/21/2003	_____	mbarman 01/21/2003		State
/P2	pkahler 01/30/2003	jdye 01/30/2003	jfrantze 01/30/2003	_____	sbasford 01/31/2003		

FE Sent For:

<END>

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/?	pkahler 01/15/2003	jdyer 01/16/2003		_____			State
		jdyer 01/20/2003		_____			
/P1		<i>1/23/03 jld</i>	jfrantze 01/21/2003	_____	mbarman 01/21/2003		

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201/30 *201/30*

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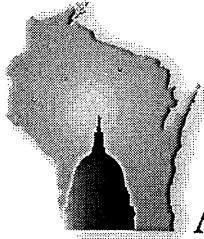
See Attached

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1/?	pkahler	1/11/03	1/21/03	1/21/03			State

FE Sent For:

<END>



**WISCONSIN DEPARTMENT OF
ADMINISTRATION**

JIM DOYLE
GOVERNOR

MARC MAROTTA
SECRETARY

Division of Executive Budget and Finance
Post Office Box 7864
Madison, WI 53707-7864
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Fax (608) 267-0372
TTY (608) 267-9629

Date: January 14, 2003

To: Steve Miller, Chief
Legislative Reference Bureau

From: Robert Blaine, Executive Policy and Budget Analyst
State Budget Office

Subject: Statutory Language Requests – Department of Health and Family Services

Attached is one statutory language requests for the 2003-05 biennial budget

- Medical Assistance and BadgerCare cost sharing

Please contact either myself (267-7980) if you have any questions.

BB0352

Agency: Department of Health and Family Services

SBO Analyst: Robert Blaine (7-7980)

Title: Medical Assistance and BadgerCare cost sharing

Purpose of Draft: The draft will increase cost sharing in the Medical Assistance and BadgerCare programs, and reduce provider rates in SeniorCare.

Medical Assistance and BadgerCare

1. Create a tiered copayment for prescription drugs as follows:
 - a) \$1 co-payment for generic drugs.
 - b) \$3 co-payment for brand name drugs.
2. Increase the \$5 monthly prescription drug copayment maximum for Medical Assistance recipients to \$12.

Please note: a similar item (which changed copayment amounts and increased the monthly maximum) was introduced by the Assembly Republican Caucus as part of the budget reform bill (Act 109). The provision did not make it into the final bill.

3. Emergency room visit copayment:

Institute a \$40 copayment for all emergency room visits, by MA and BadgerCare recipients, which do not result in an admission to the hospital. Change would be effective January 1, 2004.

4. Increase premium cost sharing in BadgerCare from 3% of income to 5%.

S. 49.665(5)(a) specifies a premium cost sharing provision, for BadgerCare recipients with incomes above 150% FPL, of no more than 3% of the family's income. This draft would increase this maximum to 5%.

Priority: High.

Kahler, Pam

From: Hanaman, Cathlene
Sent: Wednesday, January 15, 2003 10:50 AM
To: Kahler, Pam; Kennedy, Debora
Subject: The BB number

Pam or Debora,

The analyst forgot to write the BB number for this draft he sent. I do not know which of you received it.

BB0352 - Cost sharing for MA and BadgerCare from Robert Blaine

-Cathlene

Kahler, Pam

From: Blaine, Robert
Sent: Tuesday, January 14, 2003 3:41 PM
To: Kahler, Pam
Subject: FW: Co pay limits

My assumption was incorrect -- it appears that the cost-sharing requirement is cumulative. Nice catch.

-----Original Message-----

From: Cunningham, Curtis
Sent: Tuesday, January 14, 2003 3:38 PM
To: Blaine, Robert
Cc: Dombrowicki, Angela; Cunningham, Curtis; Megna, Richard
Subject: Fwd: Co pay limits

Robert,
Please see the attached response from Angie. Let me know if you have any further questions.

Regards,
Curtis

-----Original Message-----

Date: 01/14/2003 03:03 pm -0600 (Tuesday)
From: Angela Dombrowicki
To: Cunningham, Curtis
CC: Fox, Michael
Subject: Co pay limits

The co-payment requirements/limits for SCHIP and Medicaid are the same except that for SCHIP there is a cumulative cost sharing maximum of 2.5% for children below 150% of the FPL and a cumulative amount of 5% for children over 150%. For BadgerCare adults funded with SCHIP funds, the same rules apply as for SCHIP children. The cumulative cost sharing maximum for SCHIP includes premiums, deductibles, co-payments, coinsurance, enrollment fees or similar cost-sharing charges. (Sections 457.540, 457.555, 457.560 Final SCHIP Rules-January, 2001)



State of Wisconsin
2003 - 2004 LEGISLATURE

LRB-1489

PJK:.....

jld

DOA:.....Blaine - Cost-sharing under Medical Assistance and BadgerCare
FOR 2003-05 BUDGET - NOT READY FOR INTRODUCTION

SOON
(1-15)
D-note

do not
gen cost

1 AN ACT...; relating to: the budget.

Analysis by the Legislative Reference Bureau
HEALTH AND HUMAN SERVICES

MEDICAL ASSISTANCE

Under current law, DHFS provides health care services to eligible individuals under the Medical Assistance (MA) program. Current law requires certain MA recipients to share the cost of medical services provided under MA by paying up to the maximum amount allowable under federal law. Some medical services, such as emergency services, are specifically excluded from the cost-sharing requirement. Current law also limits to \$5 per month the total amount that an MA recipient may be required to pay toward the cost of prescription drugs if the recipient designates a pharmacy or pharmacist as his or her sole provider of prescription drugs.

Under this bill, MA recipients who must pay a portion of their medical services are required to pay a copayment of \$1 for each prescription for a generic drug and a copayment of \$3 for each prescription for a brand name drug. The amount which an MA recipient who designates a pharmacy or pharmacist as his or her sole provider of prescription drugs may be held liable for prescription drugs is raised from \$5 per month to \$12 per month. In addition, an MA recipient must pay a copayment for an emergency room visit if he or she is not admitted to a hospital from the emergency room.

maximum
per

\$10

OTHER HEALTH AND HUMAN SERVICES

Under current law, DHFS administers the Badger Care (BadgerCare) health care program under which certain low-income children who do not reside with a

parent and certain low-income families receive health care coverage. A child or family with health care coverage under BadgerCare and with an income that is equal to or greater than 150% of the federal poverty level is required to contribute a percentage of the child's or family's income to the cost of the health care according to a schedule established by DHFS by rule. Current law requires DHFS to submit the schedule to JCF for review and approval if the schedule ~~would~~ require a family ~~to~~ contribute more than 3% of the child's or family's income to the cost of health care. Current law prohibits JCF from approving and DHFS from implementing a schedule that ~~would~~ require a family ~~to~~ contribute more than 3.5% of the child's or family's income.

child or

Under this bill, each child or member of a family with health care coverage under BadgerCare and with an income that is equal to or greater than 150% of the federal poverty level is specifically required to pay a copayment of \$1 for each prescription for a generic drug, a copayment of \$3 for each prescription for a brand name drug, and a copayment of ~~\$10~~ for an emergency room visit if he or she is not admitted to a hospital from the emergency room. The bill eliminates the requirement that DHFS submit the cost-sharing schedule to JCF if the schedule requires a child or family to contribute more than 3% of the child's or family's income to the cost of health care; prohibits DHFS from establishing or implementing a cost-sharing schedule that requires a child or family to contribute more than 5% of income; and makes the cost-sharing limit specifically applicable to the total cost-sharing charges, including premiums, copayments, coinsurance, deductibles, and enrollment fees.

to the cost of health care

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

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

- 1 SECTION 1. 20.435 (4) (jz) of the statutes is amended to read:
- 2 20.435 (4) (jz) ~~Badger care premiums~~ Care cost sharing. All moneys received
- 3 from payments under s. 49.665 (5) to be used for the ~~badger care~~ Badger Care health
- 4 care program for low-income families under s. 49.665.

History: 1971 c. 125 ss. 138 to 155, 522 (1); 1971 c. 211, 215, 302, 307, 322; 1973 c. 90, 198, 243; 1973 c. 284 s. 32; 1973 c. 308, 321, 322, 333, 336; 1975 c. 39 ss. 153 to 173, 732 (1), (2); 1975 c. 41 s. 52; 1975 c. 82, 224, 292; 1975 c. 413 s. 18; 1975 c. 422, 423; 1975 c. 430 ss. 1, 2, 80; 1977 c. 29 ss. 236 to 273, 1657 (18); 1977 c. 112; 1977 c. 203 s. 106; 1977 c. 213, 233, 327; 1977 c. 354 s. 101; 1977 c. 359; 1977 c. 418 ss. 129 to 137, 924 (18) (d), 929 (55); 1977 c. 428 s. 115; 1977 c. 447; 1979 c. 32 s. 92 (11); 1979 c. 34, 48; 1979 c. 102 s. 237; 1979 c. 111, 175, 177; 1979 c. 221 ss. 118g to 133, 2202 (20); 1979 c. 238, 300, 331, 361; 1981 c. 20 ss. 301 to 356b, 2202 (20) (b), (d), (g); 1981 c. 93 ss. 3 to 8, 186; 1981 c. 298, 314, 317, 359, 390; 1983 a. 27 ss. 318 to 410, 2202 (20); 1983 a. 192, 199, 245; 1983 a. 333 s. 6; 1983 a. 363, 398, 410, 427; 1983 a. 435 ss. 2, 3, 7; 1983 a. 538; 1985 a. 24, 29, 56, 73, 120, 154, 176, 255, 281, 285, 332; 1987 a. 27, 339, 368, 398, 399, 402; 1987 a. 403 ss. 25, 256; 1987 a. 413; 1989 a. 31, 53; 1989 a. 56 ss. 13, 259; 1989 a. 102; 1989 a. 107 ss. 11, 13, 17 to 37; 1989 a. 120, 122, 173, 199, 202, 318, 336, 359; 1991 a. 6, 39, 189, 269, 275, 290, 315, 322; 1993 a. 16, 27, 76, 98, 99, 168, 183, 377, 437, 445, 446, 450, 469, 479, 490, 491; 1995 a. 27 ss. 806 to 961r, 9126 (19); 1995 a. 77, 98; 1995 a. 216 ss. 26, 27; 1995 a. 266, 276, 289, 303, 404, 417, 440, 448, 464, 468; 1997 a. 27 ss. 211, 214, 216, 217, 527 to 609; 1997 a. 35, 105, 231, 237, 280, 293; 1999 a. 5, 9, 32, 52, 84, 103, 109, 113, 133, 185, 186; 2001 a. 16, 69, 103, 105.

****NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

1 **SECTION 2.** 49.45 (18) (intro.) of the statutes is renumbered 49.45 (18) (ac) and
2 amended to read:

3 49.45 (18) (ac) Except as provided in pars. (a) (am) to (d), and subject to par.
4 (ag), any person eligible for medical assistance under s. 49.46, 49.468, or 49.47 shall
5 pay up to the maximum amounts allowable under 42 CFR 447.53 to 447.58 for
6 purchases of services provided under s. 49.46 (2). The service provider shall collect
7 the specified or allowable copayment, coinsurance, or deductible, unless the service
8 provider determines that the cost of collecting the copayment, coinsurance, or
9 deductible exceeds the amount to be collected. The department shall reduce
10 payments to each provider by the amount of the specified or allowable copayment,
11 coinsurance, or deductible. No provider may deny care or services because the
12 recipient is unable to share costs, but an inability to share costs specified in this
13 subsection does not relieve the recipient of liability for these costs. ~~Liability under~~
14 ~~this subsection is limited by the following provisions:~~

History: 1971 c. 40 s. 93; 1971 c. 42, 125; 1971 c. 213 s. 5; 1971 c. 215, 217, 307; 1973 c. 62, 90, 147; 1973 c. 333 ss. 106g, 106h, 106j, 201w; 1975 c. 39; 1975 c. 223 s. 28; 1975 c. 224 ss. 54h, 56 to 59m; 1975 c. 383 s. 4; 1975 c. 411; 1977 c. 29, 418; 1979 c. 34 ss. 837f to 838, 2102 (20) (a); 1979 c. 102, 177, 221, 355; 1981 c. 20 ss. 839 to 854, 2202 (20) (f); 1981 c. 93, 317; 1983 a. 27 ss. 1046 to 1062m, 2200 (42); 1983 a. 245, 447, 527; 1985 a. 29 ss. 1026m to 1031d, 3200 (23), (56), 3202 (27); 1985 a. 120, 176, 269; 1985 a. 332 ss. 91, 251 (5), 253; 1985 a. 340; 1987 a. 27 ss. 989r to 1000s, 2247, 3202 (24); 1987 a. 186, 307, 339, 399; 1987 a. 403 s. 256; 1987 a. 413; 1989 a. 6; 1989 a. 31 ss. 1402 to 1452g, 2909g, 2909i; 1989 a. 107, 173, 310, 336, 351, 359; 1991 a. 22, 39, 80, 250, 269, 315, 316; 1993 a. 16 ss. 1362g to 1403, 3883; 1993 a. 27, 107, 112, 183, 212, 246, 269, 335, 356, 437, 446, 469; 1995 a. 20; 1995 a. 27 ss. 2947 to 3002r, 7299, 9126 (19), 9130 (4), 9145 (1); 1995 a. 191, 216, 225, 289, 303, 398, 417, 457; 1997 a. 3, 13, 27, 114, 175, 191, 237, 252, 293; 1999 a. 9, 63, 103, 180, 185; 2001 a. 13, 16, 35, 38, 57, 67, 104, 109.

15 **SECTION 3.** 49.45 (18) (a) of the statutes is renumbered 49.45 (18) (am).

16 **SECTION 4.** 49.45 (18) (ag) of the statutes is created to read:

17 49.45 (18) (ag) Except as provided in pars. (am), (b) 1. to 3. and 5. to 12., and
18 (c), and subject to par. (d), a recipient specified in par. (ac) shall pay all of the
19 following:

20 1. A copayment of \$1 for each prescription of a drug that bears only a generic
21 name, as defined in s. 450.12 (1) (b).

22 2. A copayment of \$3 for each prescription of a drug that bears a brand name,
23 as defined in s. 450.12 (1) (a).

\$10
↑

1 3. A copayment of ~~\$40~~ for each admission to an emergency room if the recipient
2 is not thereafter admitted to a hospital.

3 SECTION 5. 49.45 (18) (b) 4. of the statutes is amended to read:
4 49.45 (18) (b) 4. Emergency Except as provided in par. (ag) 3. emergency
5 services.

History: 1971 c. 40 s. 93; 1971 c. 42, 125; 1971 c. 213 s. 5; 1971 c. 215, 217, 307; 1973 c. 62, 90, 147; 1973 c. 333 ss. 106g, 106h, 106j, 201w; 1975 c. 39; 1975 c. 223 s. 28; 1975 c. 224 ss. 54h, 56 to 59m; 1975 c. 383 s. 4; 1975 c. 411; 1977 c. 29, 418; 1979 c. 34 ss. 837f to 838, 2102 (20) (a); 1979 c. 102, 177, 221, 355; 1981 c. 20 ss. 839 to 854, 2202 (20) (r); 1981 c. 93, 317; 1983 a. 27 ss. 1046 to 1062m, 2200 (42); 1983 a. 245, 447, 527; 1985 a. 29 ss. 1026m to 1031d, 3200 (23), (56), 3202 (27); 1985 a. 120, 176, 269; 1985 a. 332 ss. 91, 251 (5), 253; 1985 a. 340; 1987 a. 27 ss. 989r to 1000s, 2247, 3202 (24); 1987 a. 186, 307, 339, 399; 1987 a. 403 s. 256; 1987 a. 413; 1989 a. 6; 1989 a. 31 ss. 1402 to 1452g, 2909g, 2909i; 1989 a. 107, 173, 310, 336, 351, 359; 1991 a. 22, 39, 80, 250, 269, 315, 316; 1993 a. 16 ss. 1362g to 1403, 3883; 1993 a. 27, 107, 112, 183, 212, 246, 269, 335, 356, 437, 446, 469; 1995 a. 20; 1995 a. 27 ss. 2947 to 3002r, 7299, 9126 (19), 9130 (4), 9145 (1); 1995 a. 191, 216, 225, 289, 303, 398, 417, 457; 1997 a. 3, 13, 27, 114, 175, 191, 237, 252, 293; 1999 a. 9, 63, 103, 180, 185; 2001 a. 13, 16, 35, 38, 57, 67, 104, 109.

6 SECTION 6. 49.45 (18) (d) of the statutes is amended to read:
7 49.45 (18) (d) No person who designates a pharmacy or pharmacist as his or
8 her sole provider of prescription drugs and who so uses that pharmacy or pharmacist
9 is liable under this subsection for more than \$5 \$12 per month for prescription drugs
10 received.

History: 1971 c. 40 s. 93; 1971 c. 42, 125; 1971 c. 213 s. 5; 1971 c. 215, 217, 307; 1973 c. 62, 90, 147; 1973 c. 333 ss. 106g, 106h, 106j, 201w; 1975 c. 39; 1975 c. 223 s. 28; 1975 c. 224 ss. 54h, 56 to 59m; 1975 c. 383 s. 4; 1975 c. 411; 1977 c. 29, 418; 1979 c. 34 ss. 837f to 838, 2102 (20) (a); 1979 c. 102, 177, 221, 355; 1981 c. 20 ss. 839 to 854, 2202 (20) (r); 1981 c. 93, 317; 1983 a. 27 ss. 1046 to 1062m, 2200 (42); 1983 a. 245, 447, 527; 1985 a. 29 ss. 1026m to 1031d, 3200 (23), (56), 3202 (27); 1985 a. 120, 176, 269; 1985 a. 332 ss. 91, 251 (5), 253; 1985 a. 340; 1987 a. 27 ss. 989r to 1000s, 2247, 3202 (24); 1987 a. 186, 307, 339, 399; 1987 a. 403 s. 256; 1987 a. 413; 1989 a. 6; 1989 a. 31 ss. 1402 to 1452g, 2909g, 2909i; 1989 a. 107, 173, 310, 336, 351, 359; 1991 a. 22, 39, 80, 250, 269, 315, 316; 1993 a. 16 ss. 1362g to 1403, 3883; 1993 a. 27, 107, 112, 183, 212, 246, 269, 335, 356, 437, 446, 469; 1995 a. 20; 1995 a. 27 ss. 2947 to 3002r, 7299, 9126 (19), 9130 (4), 9145 (1); 1995 a. 191, 216, 225, 289, 303, 398, 417, 457; 1997 a. 3, 13, 27, 114, 175, 191, 237, 252, 293; 1999 a. 9, 63, 103, 180, 185; 2001 a. 13, 16, 35, 38, 57, 67, 104, 109.

11 SECTION 7. 49.665 (5) (a) of the statutes is renumbered 49.665 (5) (ag) and
12 amended to read:

13 49.665 (5) (ag) Except as provided in pars. (am), (b), and (bm), a family, or child
14 who does not reside with his or her parent, who receives health care coverage under
15 this section shall pay a percentage of the cost of that coverage in accordance with a
16 schedule established by the department by rule. ~~If the schedule established by the~~
17 ~~department requires a family, or child who does not reside with his or her parent, to~~
18 ~~contribute more than 3% of the family's or child's income towards the cost of the~~
19 ~~health care coverage provided under this section, the department shall submit the~~
20 ~~schedule to the joint committee on finance for review and approval of the schedule.~~
21 ~~If the cochairpersons of the joint committee on finance do not notify the department~~

1 within 14 working days after the date of the department's submittal of the schedule
 2 that the committee has scheduled a meeting to review the schedule, the department
 3 may implement the schedule. If, within 14 days after the date of the department's
 4 submittal of the schedule, the cochairpersons of the committee notify the department
 5 that the committee has scheduled a meeting to review the schedule, the department
 6 may not require a family, or child who does not reside with his or her parent, to
 7 contribute more than 3% of the family's or child's income unless the joint committee
 8 on finance approves the schedule. The joint committee on finance may not approve
 9 and the The department may not establish or implement a schedule that requires a
 10 family or child to contribute, ~~in copayment with~~ the amounts required under par.
 11 (am), more than ~~3.5%~~ 5% of the family's or child's income towards the cost of the
 12 health care coverage provided under this section.

including

History: 1997 a. 27, 237; 1999 a. 9; 2001 a. 16, 109.

13 SECTION 8. 49.665 (5) (ac) of the statutes is created to read:

14 49.665 (5) (ac) In this subsection, "cost" means total cost-sharing charges,
 15 including premiums, copayments, coinsurance, deductibles, enrollment fees, and
 16 any other cost-sharing charges.

17 SECTION 9. 49.665 (5) (am) of the statutes is created to read:

18 49.665 (5) (am) Except as provided in pars. (b) and (bm), a child or family
 19 member who receives health care coverage under this section shall pay the following
 20 cost-sharing amounts:

21 1. A copayment of \$1 for each prescription of a drug that bears only a generic
 22 name, as defined in s. 450.12 (1) (b).

23 2. A copayment of \$3 for each prescription of a drug that bears a brand name,
 24 as defined in s. 450.12 (1) (a).

\$10

1 3. A copayment of ~~\$10~~ for each admission to an emergency room if the recipient
2 is not thereafter admitted to a hospital.

3 **SECTION 9324. Initial applicability; health and family services.**

4 ^{auto ref 1} (1) MEDICAL ASSISTANCE ~~EMERGENCY TREATMENT~~ COPAYMENTS.

5 (a) *Prescription drugs.* The treatment of section 49.45 (18) (ag) 1. and 2. and
6 (d) of the statutes first applies to drug prescriptions that are filled on the first day
7 of the first month beginning after publication.

8 ^{auto ref 2} (b) *Emergency room visits.* The treatment of section 49.45 (18) (ag) 3. and (b)

9 4. of the statutes first applies to emergency room admissions that occur on ~~January~~

10 ^{1/2004} ~~January~~ the effective date of this paragraph

11 ^{auto ref 3} (2) BADGER CARE COPAYMENTS.

12 (a) *Prescription drugs.* The treatment of section 49.665 (5) (am) 1. and 2. of the
13 statutes first applies to drug prescriptions that are filled on the first day of the first
14 month beginning after publication.

15 ^{auto ref 4} (b) *Emergency room visits.* The treatment of section 49.665 (5) (am) 3. of the

16 statutes first applies to emergency room admissions that occur on ~~January 1, 2004~~

17 **SECTION 9424. Effective dates; health and family services.**

18 (1) MEDICAL ASSISTANCE AND BADGER CARE EMERGENCY ROOM COPAYMENTS. The
19 treatment of sections 49.45 (18) (ag) 3. and (b) 4. and 49.665 (5) (am) 3. of the statutes
20 ~~takes~~ effect on January 1, 2004.

21

(END)

and SECTION 9324(1)(b) and (2)(b) of this act take
auto ref 1
auto ref 2
auto ref 3
auto ref 4

J. - note

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-14897dn

PJK:.....

P1
Jld

date

Robert:

1. A copayment for emergency services is prohibited under 42 CFR 447.53 (b) (4), and codified in our statutes at s. 49.45 (18) (b) 4. Is this changing under the CFR, effective January 1, 2004, if a person is not admitted to a hospital after receiving emergency services, as requested in the drafting instructions?
2. Might a copayment amount specified in proposed s. 49.45 (18) (ag) impermissibly exceed the maximum amounts allowable under 42 CFR 447.53 to 447.58?
3. Note how I amended s. 49.665 (5) (a) (renumbered to (5) (ag)). Another possibility is to keep the 3% language as is (or change it to something greater than 3% but less than 5%) and change 3.5% to 5%. Let me know if you want the draft changed.
4. I made the copayments for prescription drugs first apply to prescriptions filled on the first day of the first month beginning after publication because s. 49.45 (18) (d) limits the total amount paid in a month. It seemed easier to start with a new month rather than having the limit change potentially in the middle of a month. Are there any contractual terms under either MA or BadgerCare related to copay amounts that will be impaired if the copayment amounts change with prescriptions filled on the first day of the first month beginning after publication?
5. Should the change to 5% in s. 49.665 (5) (a) (renumbered to (5) (ag)) have an initial applicability? Should it also begin on the first day of a month? Is coverage under BadgerCare continuous as long as a person qualifies or are there coverage time periods, as under insurance policies?

✓
Does percentage of income paid by an individual calculated on a monthly, annual, or other basis?

Pamela J. Kahler
Senior Legislative Attorney
Phone: (608) 266-2682
E-mail: pam.kahler@legis.state.wi.us

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-1489/P1dn
PJK:jld:jf

January 21, 2003

Robert:

1. A copayment for emergency services is prohibited under 42 CFR 447.53 (b) (4), and codified in our statutes at s. 49.45 (18) (b) 4. Is this changing under the CFR, effective January 1, 2004, if a person is not admitted to a hospital after receiving emergency services, as requested in the drafting instructions?
2. Might a copayment amount specified in proposed s. 49.45 (18) (ag) impermissibly exceed the maximum amounts allowable under 42 CFR 447.53 to 447.58?
3. Note how I amended s. 49.665 (5) (a) (renumbered to (5) (ag)). Another possibility is to keep the 3% language as is (or change it to something greater than 3% but less than 5%) and change 3.5% to 5%. Let me know if you want the draft changed.
4. I made the copayments for prescription drugs first apply to prescriptions filled on the first day of the first month beginning after publication because s. 49.45 (18) (d) limits the total amount paid in a month. It seemed easier to start with a new month rather than having the limit change potentially in the middle of a month. Are there any contractual terms under either MA or BadgerCare related to copay amounts that will be impaired if the copayment amounts change with prescriptions filled on the first day of the first month beginning after publication?
5. Should the change to 5% in s. 49.665 (5) (a) (renumbered to (5) (ag)) have an initial applicability? Should it also begin on the first day of a month? Is coverage under BadgerCare continuous as long as a person qualifies or are there coverage time periods, as under insurance policies? Is percentage of income paid by an individual calculated on a monthly, annual, or other basis?

Pamela J. Kahler
Senior Legislative Attorney
Phone: (608) 266-2682
E-mail: pam.kahler@legis.state.wi.us

Kahler, Pam

From: Blaine, Robert
Sent: Tuesday, January 21, 2003 7:49 PM
To: Kahler, Pam
Cc: Megna, Richard; Bove, Fredi-Ellen
Subject: RE: LRB Draft: 03-1489/P1 Cost-sharing under Medical Assistance and BadgerCare

1. I am not familiar with the federal statues, and thus cannot speak to the permissibility of an emergency room copayment. To the extent this is prohibited under federal law, I suppose the department would need to submit a federal waiver to implement state law.
2. I'm not sure what the maximums are under 42 CFR 447.53 to 447.58. I will have to get DHFS to comment.
3. I think the way you've drafted it is fine.
4. Makes sense to me. I am not aware of any contractual reasons why this would not work.
5. Most individuals in BadgerCare are under capitated HMO plans, where there is a monthly cap payment. It would make sense to me to apply this provision to the first day of the first month following the effective date of the bill. However, I do not know when the 5% is calculated, and will have to get back to you.

Thanks for all your hard work!

-----Original Message-----

From: Frantzen, Jean
Sent: Tuesday, January 21, 2003 11:10 AM
To: Blaine, Robert
Cc: Johnston, James; Schaeffer, Carole; Hanaman, Cathlene; Haugen, Caroline
Subject: LRB Draft: 03-1489/P1 Cost-sharing under Medical Assistance and BadgerCare

Following is the PDF version of draft 03-1489/P1.

<< File: 03-1489/P1 >> << File: 03-1489/P1dn >>

Kahler, Pam

From: Blaine, Robert
Sent: Saturday, January 25, 2003 4:08 PM
To: Kahler, Pam
Cc: Megna, Richard; Bove, Fredi-Ellen
Subject: RE: LRB Draft: 03-1489/P1 Cost-sharing under Medical Assistance and BadgerCare

Upon further discussion, we agree that the emergency room copayment will not work. I would like to redraft without this provision included. I have not received any further guidance from DHFS regarding the initial app for the increase to 5%, but will follow up with them as soon as I can (though it may not be until Monday). I am assuming it is okay.

-----Original Message-----

From: Blaine, Robert
Sent: Tuesday, January 21, 2003 7:49 PM
To: Kahler, Pam
Cc: Megna, Richard; Bove, Fredi-Ellen
Subject: RE: LRB Draft: 03-1489/P1 Cost-sharing under Medical Assistance and BadgerCare

1. I am not familiar with the federal statutes, and thus cannot speak to the permissibility of an emergency room copayment. To the extent this is prohibited under federal law, I suppose the department would need to submit a federal waiver to implement state law.
2. I'm not sure what the maximums are under 42 CFR 447.53 to 447.58. I will have to get DHFS to comment.
3. I think the way you've drafted it is fine.
4. Makes sense to me. I am not aware of any contractual reasons why this would not work.
5. Most individuals in BadgerCare are under capitated HMO plans, where there is a monthly cap payment. It would make sense to me to apply this provision to the first day of the first month following the effective date of the bill. However, I do not know when the 5% is calculated, and will have to get back to you.

Thanks for all your hard work!

-----Original Message-----

From: Frantzen, Jean
Sent: Tuesday, January 21, 2003 11:10 AM
To: Blaine, Robert
Cc: Johnston, James; Schaeffer, Carole; Hanaman, Cathlene; Haugen, Caroline
Subject: LRB Draft: 03-1489/P1 Cost-sharing under Medical Assistance and BadgerCare

Following is the PDF version of draft 03-1489/P1.

<< File: 03-1489/P1 >> << File: 03-1489/P1dn >>

Kahler, Pam

From: Blaine, Robert
Sent: Tuesday, January 28, 2003 9:00 PM
To: Kahler, Pam
Subject: FW: Fwd: FW: LRB Draft: 03-1489/P1 Cost-sharing under Medical Assistance and BadgerCare

The first of two e-mails regarding the draft:

I think this means your effective date is okay...

-----Original Message-----

Date: 01/22/2003 11:40 am -0600 (Wednesday)
From: Angela Dombrowicki

Also any deductions to HMO cap payments should start on a calendar year so they can be handled as part of the normal contract and rate setting process. The LRB draft has an effective date of January 1, 2004. However Robert's response to the drafter seems to imply something different.



State of Wisconsin
2003 - 2004 LEGISLATURE

LRB-1489/1 P2
PJK:jld:jf

Y mis run

DOA:.....Blaine - BB0352, Cost-sharing under Medical Assistance and BadgerCare

FOR 2003-05 BUDGET — NOT READY FOR INTRODUCTION

*SOON
(1-30)
Date*

*do not
generate*

1 AN ACT relating to: the budget.

Analysis by the Legislative Reference Bureau

HEALTH AND HUMAN SERVICES

MEDICAL ASSISTANCE

Under current law, DHFS provides health care services to eligible individuals under the Medical Assistance (MA) program. Current law requires certain MA recipients to share the cost of medical services provided under MA by paying up to the maximum amount allowable under federal law. Some medical services, such as emergency services, are specifically excluded from the cost-sharing requirement. Current law also limits to \$5 per month the total amount that an MA recipient may be required to pay toward the cost of prescription drugs if the recipient designates a pharmacy or pharmacist as his or her sole provider of prescription drugs.

Under this bill, MA recipients who must pay a portion of their medical services are required to pay a copayment of \$1 for each prescription for a generic drug and a copayment of \$3 for each prescription for a brand name drug. The maximum amount for which an MA recipient who designates a pharmacy or pharmacist as his or her sole provider of prescription drugs may be held liable for prescription drugs is raised from \$5 per month to \$12 per month. In addition, an MA recipient must pay a \$10 copayment for an emergency room visit, if he or she is not admitted to a hospital from the emergency room.

OTHER HEALTH AND HUMAN SERVICES

Under current law, DHFS administers the Badger Care (BadgerCare) health care program under which certain low-income children who do not reside with a parent and certain low-income families receive health care coverage. A child or family with health care coverage under BadgerCare and with an income that is equal to or greater than 150% of the federal poverty level is required to contribute a percentage of the child's or family's income to the cost of the health care according to a schedule established by DHFS by rule. Current law requires DHFS to submit the schedule to JCF for review and approval if the schedule requires a child or family to contribute more than 3% of the child's or family's income to the cost of health care. Current law prohibits JCF from approving and DHFS from implementing a schedule that requires a child or family to contribute more than 3.5% of the child's or family's income.

Under this bill, each child or member of a family with health care coverage under BadgerCare and with an income that is equal to or greater than 150% of the federal poverty level is specifically required to pay a copayment of \$1 for each prescription for a generic drug ^{and} a copayment of \$3 for each prescription for a brand name drug, and a copayment of \$10 for an emergency room visit if he or she is not admitted to a hospital from the emergency room. The bill eliminates the requirement that DHFS submit the cost-sharing schedule to JCF if the schedule requires a child or family to contribute more than 3% of the child's or family's income to the cost of health care; prohibits DHFS from establishing or implementing a cost-sharing schedule that requires a child or family to contribute more than 5% of income to the cost of health care; and makes the cost-sharing limit specifically applicable to the total cost-sharing charges, including premiums, copayments, coinsurance, deductibles, and enrollment fees.

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

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

1 SECTION 1. 20.435 (4) (jz) of the statutes is amended to read:

2 20.435 (4) (jz) ~~Badger care premiums~~ Care cost sharing. All moneys received
3 from payments under s. 49.665 (5) to be used for the badger care Badger Care health
4 care program ~~for low-income families~~ under s. 49.665.

****NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

5 SECTION 2. 49.45 (18) (intro.) of the statutes is renumbered 49.45 (18) (ac) and
6 amended to read:

1 49.45 (18) (ac) Except as provided in pars. (a) (am) to (d), and subject to par.
 2 (ag), any person eligible for medical assistance under s. 49.46, 49.468, or 49.47 shall
 3 pay up to the maximum amounts allowable under 42 CFR 447.53 to 447.58 for
 4 purchases of services provided under s. 49.46 (2). The service provider shall collect
 5 the specified or allowable copayment, coinsurance, or deductible, unless the service
 6 provider determines that the cost of collecting the copayment, coinsurance, or
 7 deductible exceeds the amount to be collected. The department shall reduce
 8 payments to each provider by the amount of the specified or allowable copayment,
 9 coinsurance, or deductible. No provider may deny care or services because the
 10 recipient is unable to share costs, but an inability to share costs specified in this
 11 subsection does not relieve the recipient of liability for these costs. ~~Liability under~~
 12 ~~this subsection is limited by the following provisions:~~

13 **SECTION 3.** 49.45 (18) (a) of the statutes is renumbered 49.45 (18) (am).

14 **SECTION 4.** 49.45 (18) (ag) of the statutes is created to read:

15 49.45 (18) (ag) Except as provided in pars. (am), (b) ~~1. and 2.~~ and
 16 (c), and subject to par. (d), a recipient specified in par. (ac) shall pay all of the
 17 following:

- 18 1. A copayment of \$1 for each prescription of a drug that bears only a generic
- 19 name, as defined in s. 450.12 (1) (b).
- 20 2. A copayment of \$3 for each prescription of a drug that bears a brand name,
- 21 as defined in s. 450.12 (1) (a).

22 3. A copayment of \$10 for each admission to an emergency room if the recipient
 23 is not thereafter admitted to a hospital.

24 **SECTION 5.** 49.45 (18) (b) 4. of the statutes is amended to read:

1 49.45 (18) (b) 4. ~~Emergency Except as provided in par. (ag) 3., emergency~~
 2 services.

3 SECTION 6. 49.45 (18) (d) of the statutes is amended to read:

4 49.45 (18) (d) No person who designates a pharmacy or pharmacist as his or
 5 her sole provider of prescription drugs and who so uses that pharmacy or pharmacist
 6 is liable under this subsection for more than \$5 \$12 per month for prescription drugs
 7 received.

8 SECTION 7. 49.665 (5) (a) of the statutes is ~~amended to read~~
 9 amended to read:

10 49.665 (5) (ag) Except as provided in pars. (am), (b), and (bm), a family, or child
 11 who does not reside with his or her parent, who receives health care coverage under
 12 this section shall pay a percentage of the cost of that coverage in accordance with a
 13 schedule established by the department by rule. ~~If the schedule established by the~~
 14 ~~department requires a family, or child who does not reside with his or her parent, to~~
 15 ~~contribute more than 3% of the family's or child's income towards the cost of the~~
 16 ~~health care coverage provided under this section, the department shall submit the~~
 17 ~~schedule to the joint committee on finance for review and approval of the schedule.~~
 18 ~~If the cochairpersons of the joint committee on finance do not notify the department~~
 19 ~~within 14 working days after the date of the department's submittal of the schedule~~
 20 ~~that the committee has scheduled a meeting to review the schedule, the department~~
 21 ~~may implement the schedule. If, within 14 days after the date of the department's~~
 22 ~~submittal of the schedule, the cochairpersons of the committee notify the department~~
 23 ~~that the committee has scheduled a meeting to review the schedule, the department~~
 24 ~~may not require a family, or child who does not reside with his or her parent, to~~
 25 ~~contribute more than 3% of the family's or child's income unless the joint committee~~

Insert 4-7 ✓

✓ as affected by 2003 Wisconsin Act ... (this act)
 ✓ plain ✓ plain

✓ Joint component →

✓ → 9

10

1 ~~on finance approves the schedule. The joint committee on finance may not approve~~
 2 ~~and the~~ The department may not establish or [✓] implement a schedule that requires a
 3 family or child to contribute, including the amounts required under par. (am), ^{← plan} more
 4 than ~~3.5%~~ [✓] 5% of the family's or child's income towards the cost of the health care
 5 coverage provided under this section.

6 SECTION 8. 49.665 (5) (ac) of the statutes is created to read:

7 49.665 (5) (ac) In this subsection, "cost" means total cost-sharing charges,
 8 including premiums, copayments, coinsurance, deductibles, enrollment fees, and
 9 any other cost-sharing charges.

10 SECTION 9. 49.665 (5) (am) [✓] of the statutes is created to read:

11 49.665 (5) (am) Except as provided in pars. (b) and (bm), a child or family
 12 member who receives health care coverage under this section shall pay the following
 13 cost-sharing amounts:

14 1. A copayment of \$1 for each prescription of a drug that bears only a generic
 15 name, as defined in s. 450.12 (1) (b).

16 2. A copayment of \$3 for each prescription of a drug that bears a brand name,
 17 as defined in s. 450.12 (1) (a).

18 3. A copayment of \$10 for each admission to an emergency room if the recipient
 19 is not thereafter admitted to a hospital.

20 SECTION 9324. Initial applicability; health and family services.

21 (1) MEDICAL ASSISTANCE ^{drug} ^{CS} COPAYMENTS.

22 (a) ~~Prescription drugs~~ ^{not} The treatment of section 49.45 (18) (ag) 1. and 2. and
 23 (d) [✓] of the statutes first applies to drug prescriptions that are filled on the first day
 24 of the first month beginning after publication.

1 (b) *Emergency room visits.* The treatment of section 49.45 (18) (ag) 3. and (b)
2 4. of the statutes first applies to emergency room admissions that occur on the
3 effective date of this paragraph.

4 (2) BADGER CARE COPAYMENTS.

5 (a) *Prescription drugs.* The treatment of section 49.665 (5) (am) 1. and 2. of the
6 statutes first applies to drug prescriptions that are filled on the first day of the first
7 month beginning after publication.

8 (b) *Emergency room visits.* The treatment of section 49.665 (5) (am) 3. of the
9 statutes first applies to emergency room admissions that occur on the effective date
10 of this paragraph.

11 SECTION 9424. Effective dates; health and family services.

12 (1) ~~MEDICAL ASSISTANCE AND BADGER CARE EMERGENCY ROOM COPAYMENTS.~~ The
13 ~~of sections 49.45 (18) (ag) 3. and 4. and 49.665 (5) of the statutes~~
14 ~~and SECTION 9324 (1) (b) and (2) (b) of this act take effect on January 1, 2004.~~

15 (END)

✓
(CS) cost sharing

→ amendment

D-note

→ drug ← (CS)

w/91 ← (move up)

(ag)

2003-2004 DRAFTING INSERT
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-1489/P2ins
PJK:dlj

INSERT 4-7

1 SECTION 1. 49.665 (5) (a) [✓] of the statutes is renumbered 49.665 (5) (ag) and
2 amended to read:

3 49.665 (5) (ag) Except as provided in pars. (am), (b), and (bm), a family, or child
4 who does not reside with his or her parent, who receives health care coverage under
5 this section shall pay a percentage of the cost of that coverage in accordance with a
6 schedule established by the department by rule. If the schedule established by the
7 department requires a family, or child who does not reside with his or her parent, to
8 contribute more than 3% of the family's or child's income towards the cost of the
9 health care coverage provided under this section, the department shall submit the
10 schedule to the joint committee on finance for review and approval of the schedule.
11 If the cochairpersons of the joint committee on finance do not notify the department
12 within 14 working days after the date of the department's submittal of the schedule
13 that the committee has scheduled a meeting to review the schedule, the department
14 may implement the schedule. If, within 14 days after the date of the department's
15 submittal of the schedule, the cochairpersons of the committee notify the department
16 that the committee has scheduled a meeting to review the schedule, the department
17 may not require a family, or child who does not reside with his or her parent, to
18 contribute more than 3% of the family's or child's income unless the joint committee
19 on finance approves the schedule. The joint committee on finance may not approve
20 and the department may not ~~establish~~ implement a schedule that requires a
21 family or child to contribute, including the amounts required under par. (am), more



- 1 than 3.5% of the family's or child's income towards the cost of the health care coverage
- 2 provided under this section.

History: 1997 a. 27, 237; 1999 a. 9; 2001 a. 16, 109.

(END OF INSERT 4-7)

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-1489/P2dn

PJK: ~~jld~~

date

jld

Robert:

I hope that the changes I have made in this redraft are what DHFS intended or are, at least, acceptable to DHFS. The changes do the following:

1. Since the definition of "cost" in BadgerCare is how DHFS currently defines the term, the creation of s. 49.665 (5) (ac) and consequent renumbering of s. 49.665 (5) (a) are not delayed.
2. The drug copays are not delayed for either MA or BadgerCare, and I have made the two programs consistent with each other in that the copays first apply to prescriptions filled on the first day of the first month beginning after publication for both programs.
3. Only the change in BadgerCare to requiring up to 5% of income for contribution to health care costs is delayed to January 1, 2004.

Pamela J. Kahler
Senior Legislative Attorney
Phone: (608) 266-2682
E-mail: pam.kahler@legis.state.wi.us

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

LRB-1489/P2dn
PJK:jld:jf

January 30, 2003

Robert:

I hope that the changes I have made in this redraft are what DHFS intended or are, at least, acceptable to DHFS. The changes do the following:

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2. The drug copays are not delayed for either MA or BadgerCare, and I have made the two programs consistent with each other in that the copays first apply to prescriptions filled on the first day of the first month beginning after publication for both programs.
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State of Wisconsin
2003 - 2004 LEGISLATURE

LRB-1489/P2

PJK:jld:jf

DOA:.....Blaine – BB0352, Cost-sharing under Medical Assistance and
BadgerCare

FOR 2003-05 BUDGET — NOT READY FOR INTRODUCTION

1 **AN ACT** ...; relating to: the budget.

Analysis by the Legislative Reference Bureau

HEALTH AND HUMAN SERVICES

MEDICAL ASSISTANCE

Under current law, DHFS provides health care services to eligible individuals under the Medical Assistance (MA) program. Current law requires certain MA recipients to share the cost of medical services provided under MA by paying up to the maximum amount allowable under federal law. Some medical services, such as emergency services, are specifically excluded from the cost-sharing requirement. Current law also limits to \$5 per month the total amount that an MA recipient may be required to pay toward the cost of prescription drugs if the recipient designates a pharmacy or pharmacist as his or her sole provider of prescription drugs.

Under this bill, MA recipients who must pay a portion of their medical services are required to pay a copayment of \$1 for each prescription for a generic drug and a copayment of \$3 for each prescription for a brand name drug. The maximum amount for which an MA recipient who designates a pharmacy or pharmacist as his or her sole provider of prescription drugs may be held liable for prescription drugs is raised from \$5 per month to \$12 per month.

OTHER HEALTH AND HUMAN SERVICES

Under current law, DHFS administers the Badger Care (BadgerCare) health care program under which certain low-income children who do not reside with a

parent and certain low-income families receive health care coverage. A child or family with health care coverage under BadgerCare and with an income that is equal to or greater than 150% of the federal poverty level is required to contribute a percentage of the child's or family's income to the cost of the health care according to a schedule established by DHFS by rule. Current law requires DHFS to submit the schedule to JCF for review and approval if the schedule requires a child or family to contribute more than 3% of the child's or family's income to the cost of health care. Current law prohibits JCF from approving and DHFS from implementing a schedule that requires a child or family to contribute more than 3.5% of the child's or family's income.

Under this bill, each child or member of a family with health care coverage under BadgerCare and with an income that is equal to or greater than 150% of the federal poverty level is specifically required to pay a copayment of \$1 for each prescription for a generic drug and a copayment of \$3 for each prescription for a brand name drug. The bill eliminates the requirement that DHFS submit the cost-sharing schedule to JCF if the schedule requires a child or family to contribute more than 3% of the child's or family's income to the cost of health care; prohibits DHFS from establishing or implementing a cost-sharing schedule that requires a child or family to contribute more than 5% of income to the cost of health care; and makes the cost-sharing limit specifically applicable to the total cost-sharing charges, including premiums, copayments, coinsurance, deductibles, and enrollment fees.

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

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

1 **SECTION 1.** 20.435 (4) (jz) of the statutes is amended to read:

2 20.435 (4) (jz) ~~Badger care premiums~~ Care cost sharing. All moneys received
3 from payments under s. 49.665 (5) to be used for the ~~badger care~~ Badger Care health
4 care program ~~for low-income families~~ under s. 49.665.

 ****NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

5 **SECTION 2.** 49.45 (18) (intro.) of the statutes is renumbered 49.45 (18) (ac) and
6 amended to read:

7 49.45 (18) (ac) Except as provided in pars. (a) ~~(am)~~ (am) to (d), and subject to par.
8 (ag), any person eligible for medical assistance under s. 49.46, 49.468, or 49.47 shall

1 pay up to the maximum amounts allowable under 42 CFR 447.53 to 447.58 for
2 purchases of services provided under s. 49.46 (2). The service provider shall collect
3 the specified or allowable copayment, coinsurance, or deductible, unless the service
4 provider determines that the cost of collecting the copayment, coinsurance, or
5 deductible exceeds the amount to be collected. The department shall reduce
6 payments to each provider by the amount of the specified or allowable copayment,
7 coinsurance, or deductible. No provider may deny care or services because the
8 recipient is unable to share costs, but an inability to share costs specified in this
9 subsection does not relieve the recipient of liability for these costs. ~~Liability under~~
10 ~~this subsection is limited by the following provisions:~~

11 **SECTION 3.** 49.45 (18) (a) of the statutes is renumbered 49.45 (18) (am).

12 **SECTION 4.** 49.45 (18) (ag) of the statutes is created to read:

13 49.45 (18) (ag) Except as provided in pars. (am), (b), and (c), and subject to par.
14 (d), a recipient specified in par. (ac) shall pay all of the following:

15 1. A copayment of \$1 for each prescription of a drug that bears only a generic
16 name, as defined in s. 450.12 (1) (b).

17 2. A copayment of \$3 for each prescription of a drug that bears a brand name,
18 as defined in s. 450.12 (1) (a).

19 **SECTION 5.** 49.45 (18) (d) of the statutes is amended to read:

20 49.45 (18) (d) No person who designates a pharmacy or pharmacist as his or
21 her sole provider of prescription drugs and who so uses that pharmacy or pharmacist
22 is liable under this subsection for more than \$5 ~~\$12~~ per month for prescription drugs
23 received.

24 **SECTION 6.** 49.665 (5) (a) of the statutes is renumbered 49.665 (5) (ag) and
25 amended to read:

1 49.665 (5) (ag) Except as provided in pars. (am), (b), and (bm), a family, or child
2 who does not reside with his or her parent, who receives health care coverage under
3 this section shall pay a percentage of the cost of that coverage in accordance with a
4 schedule established by the department by rule. If the schedule established by the
5 department requires a family, or child who does not reside with his or her parent, to
6 contribute more than 3% of the family's or child's income towards the cost of the
7 health care coverage provided under this section, the department shall submit the
8 schedule to the joint committee on finance for review and approval of the schedule.
9 If the cochairpersons of the joint committee on finance do not notify the department
10 within 14 working days after the date of the department's submittal of the schedule
11 that the committee has scheduled a meeting to review the schedule, the department
12 may implement the schedule. If, within 14 days after the date of the department's
13 submittal of the schedule, the cochairpersons of the committee notify the department
14 that the committee has scheduled a meeting to review the schedule, the department
15 may not require a family, or child who does not reside with his or her parent, to
16 contribute more than 3% of the family's or child's income unless the joint committee
17 on finance approves the schedule. The joint committee on finance may not approve
18 and the department may not implement a schedule that requires a family or child
19 to contribute, including the amounts required under par. (am), more than 3.5% of the
20 family's or child's income towards the cost of the health care coverage provided under
21 this section.

22 **SECTION 7.** 49.665 (5) (ac) of the statutes is created to read:

23 49.665 (5) (ac) In this subsection, "cost" means total cost-sharing charges,
24 including premiums, copayments, coinsurance, deductibles, enrollment fees, and
25 any other cost-sharing charges.

1 **SECTION 8.** 49.665 (5) (ag) of the statutes, as affected by 2003 Wisconsin Act
2 (this act), is amended to read:

3 49.665 (5) (ag) Except as provided in pars. (am), (b), and (bm), a family, or child
4 who does not reside with his or her parent, who receives health care coverage under
5 this section shall pay a percentage of the cost of that coverage in accordance with a
6 schedule established by the department by rule. ~~If the schedule established by the~~
7 ~~department requires a family, or child who does not reside with his or her parent, to~~
8 ~~contribute more than 3% of the family's or child's income towards the cost of the~~
9 ~~health care coverage provided under this section, the department shall submit the~~
10 ~~schedule to the joint committee on finance for review and approval of the schedule.~~
11 ~~If the cochairpersons of the joint committee on finance do not notify the department~~
12 ~~within 14 working days after the date of the department's submittal of the schedule~~
13 ~~that the committee has scheduled a meeting to review the schedule, the department~~
14 ~~may implement the schedule. If, within 14 days after the date of the department's~~
15 ~~submittal of the schedule, the cochairpersons of the committee notify the department~~
16 ~~that the committee has scheduled a meeting to review the schedule, the department~~
17 ~~may not require a family, or child who does not reside with his or her parent, to~~
18 ~~contribute more than 3% of the family's or child's income unless the joint committee~~
19 ~~on finance approves the schedule. The joint committee on finance may not approve~~
20 ~~and the~~ The department may not establish or implement a schedule that requires a
21 family or child to contribute, including the amounts required under par. (am), more
22 than 3.5% 5% of the family's or child's income towards the cost of the health care
23 coverage provided under this section.

24 **SECTION 9.** 49.665 (5) (am) of the statutes is created to read:

