

2003 DRAFTING REQUEST

Senate Amendment (SA-SB44)

Received: **05/07/2003**

Received By: **pkahler**

Wanted: **Soon**

Identical to LRB:

For: **Legislative Fiscal Bureau**

By/Representing: **Swissdorf (CM)**

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

Drafter: **pkahler**

May Contact:

Addl. Drafters:

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

Extra Copies:

Submit via email: **YES**

Requester's email:

Carbon copy (CC:) to:

Pre Topic:

LFB:.....Swissdorf (CM) -

Topic:

Changes to Chronic Disease Program

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 05/08/2003	kfollett 05/08/2003		_____			
/1			rschluet 05/08/2003	_____	amentkow 05/08/2003		
/2	pkahler	kfollett	jfrantze	_____	mbarman		

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
	05/20/2003	05/20/2003	05/20/2003	_____	05/20/2003		

FE Sent For:

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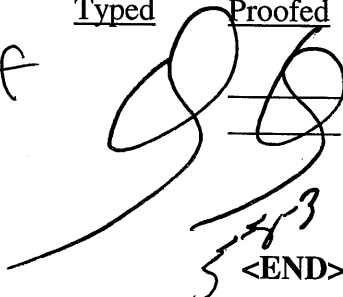
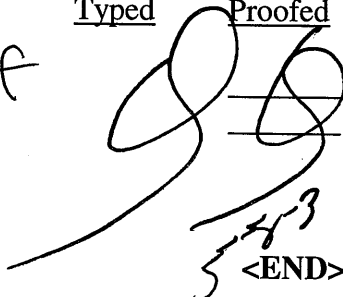
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/?	pkahler	11 kjf 5/8					

FE Sent For:

<END>

Kahler, Pam

From: Swissdorf, Kim
Sent: Wednesday, May 07, 2003 5:18 PM
To: Kahler, Pam
Cc: Morgan, Charlie
Subject: Wisconsin Chronic Disease Program LRB Draft #1303/p1

Hi Pam:

The Joint Finance Committee adopted alternatives A1, B3, C4, D2, E1, and F1 in LFB Paper #416. It looks like statutory changes to your draft would be needed for B3, C4, and D2. Let me know if you have any questions. Thank you!!

Kim Swissdorf
Fiscal Analyst
Legislative Fiscal Bureau
One East Main St., Suite 301
Madison, WI 53703
(608) 266-3847
Kim.Swissdorf@legis.state.wi.us

represent annual savings, it is assumed that any cost saving measure would be implemented in 2004-05, so the annual savings represent the entire savings over the biennium.

ALTERNATIVES

A. WCDP Funding Reestimate

1. Reduce funding in the bill by \$119,500 (-\$11,700 GPR and -\$107,800 PR) in 2003-04 and \$204,300 (-\$96,500 GPR and -\$165,200 PR) in 2004-05 so that a total of \$4,829,700 (\$4,664,500 GPR and \$165,200 PR) in 2003-04 and \$5,256,500 (\$5,091,300 GPR and \$165,200 PR) in 2004-05 would be budgeted for WCDP costs.

A1 - Modification	GPR	PR	TOTAL
2003-05 FUNDING (Change to Bill)	-\$108,200	-\$215,600	-\$323,800

B. Drug Copayments

1. Approve the Governor's recommendation to require enrollees to pay a \$5 copayment for each generic drug and a \$15 copayment for each brand name drug in cases where a pharmacy directly bills DHFS or a contracted entity for the drug. Reduce funding by \$15,100 GPR in 2004-05 to correspond to the savings from the increased copayments.

Alternative B1	GPR
2003-05 FUNDING (Change to Bill)	-\$15,100

2. Modify the Governor's recommendation by requiring enrollees to pay a \$5 copayment for each generic drug and a \$12 copayment for each brand name drug in cases where a pharmacy directly bills DHFS or a contracted entity for the drug. Reduce funding by \$6,000 GPR in 2004-05 to correspond to the savings from the increased copayments.

Alternative B2	GPR
2003-05 FUNDING (Change to Bill)	-\$6,000

3. Modify the Governor's recommendation by requiring enrollees to pay a \$7.50 copayment for each generic drug and a \$15 copayment for each brand name drug in cases where a pharmacy directly bills DHFS or a contracted entity for the drug. Reduce funding by \$21,000 GPR in 2004-05 to correspond to the savings from the increased copayments.

Alternative B3	GPR
2003-05 FUNDING (Change to Bill)	-\$21,000

4. Delete the provisions relating to prescription drug copayments.

C. Patient Liability

1. Approve the Governor's recommendation to require a deductible, as a percentage of the family's income, for families whose income is from 200% to 300% of the FPL, which would be set by DHFS. Require deductibles for families whose income is at or above 300% of the FPL as follows:

<u>Income as a Percent of FPL</u>	<u>Percent of Total Family Income</u>
300% thru 325%	1.00%
>325% thru 350%	1.75
>350% thru 375%	2.50
>375% thru 400%	3.25
>400%	4.25

Reduce funding to correspond with the savings from increased coinsurance percentages by \$35,200 GPR in 2004-05.

In addition, require DHFS to continuously review the sliding scale for patient liability coinsurance and revise it as needed to ensure that the amounts budgeted for WCDP are sufficient to cover treatment costs.

Alternative C1	GPR
2003-05 FUNDING (Change to Bill)	- \$35,200

2. Modify the Governor's recommendation to require deductibles, as a percentage of the family's income, as follows:

<u>Income as a Percent of FPL</u>	<u>Percent of Total Family Income</u>
200% thru 250%	0.25%
>250% thru 275%	0.50
>275% thru 300%	0.75
>300% thru 325%	1.00
>325% thru 350%	1.75
>350% thru 375%	2.50
>375% thru 400%	3.25
>400%	4.25

Reduce funding to correspond with the savings from increased coinsurance percentages by \$62,300 GPR in 2004-05.

In addition, require DHFS to continuously review the sliding scale for patient liability coinsurance and revise it as needed to ensure that the amounts budgeted for WCDP are sufficient to cover treatment costs.

<u>Alternative C2</u>	<u>GPR</u>
2003-05 FUNDING (Change to Bill)	- \$62,300

3. Modify the Governor's recommendation to require deductibles, as a percentage of the family's income, as follows:

<u>Income as a Percent of FPL</u>	<u>Percent of Total Family Income</u>
200% thru 250%	0.75%
>250% thru 275%	0.75
>275% thru 300%	0.75
>300% thru 325%	1.00
>325% thru 350%	1.75
>350% thru 375%	2.50
>375% thru 400%	3.25
>400%	4.25

Reduce funding to correspond with the savings from increased coinsurance percentages by \$85,200 GPR in 2004-05.

In addition, require DHFS to continuously review the sliding scale for patient liability coinsurance and revise it as needed to ensure that the amounts budgeted for WCDP are sufficient to cover treatment costs.

<u>Alternative C2</u>	<u>GPR</u>
2003-05 FUNDING (Change to Bill)	- \$85,200

4. Modify the Governor's recommendation to require deductibles, as a percentage of the family's income, as follows:

<u>Income as a Percent of FPL</u>	<u>Percent of Total Family Income</u>
200% thru 250%	0.50%
>250% thru 275%	0.75
>275% thru 300%	1.00
>300% thru 325%	1.25
>325% thru 350%	2.00
>350% thru 375%	2.75
>375% thru 400%	3.50
>400%	4.50

Reduce funding to correspond with the savings from increased coinsurance percentages by \$114,100 GPR in 2004-05.

In addition, require DHFS to continuously review the sliding scale for patient liability coinsurance and revise it as needed to ensure that the amounts budgeted for WCDP are sufficient to cover treatment costs.

<u>Alternative C4</u>	<u>GPR</u>
2003-05 FUNDING (Change to Bill)	- \$114,100

5. Delete the provisions relating to deductibles.
6. Delete the provision relating to coinsurance.
7. Delete the provisions relating to both the deductibles and coinsurance.

D. Provider Reimbursement for Chronic Renal Disease Services

1. Approve the Governor's recommendation to repeal the current requirement that the state reimburse providers that render services under the CRD program at rates equal to allowable charges under the federal Medicare program. Instead, require DHFS to reimburse providers at rates that do not exceed the allowable charges under Medicare. Also, require a provider to accept the state payment in full and prohibit the provider from billing the patient for any amount by which the charge for the service exceeds the state payment.

2. Modify the Governor's recommendation by requiring the state to reimburse providers that render services under the CRD program at the lower of Medicare rates or MA rates.

3. Delete the provisions in the bill regarding reimbursement rates paid under the CRD program.



State of Wisconsin
2003 - 2004 LEGISLATURE

LRBb0142/1
PJK:KCA

LFB:.....Swissdorf (CM) – Changes to Chronic Disease Program
FOR 2003-05 BUDGET — NOT READY FOR INTRODUCTION
SENATE AMENDMENT ,
TO 2003 SENATE BILL 44

SOON
(in 5-8)

1 At the locations indicated, amend the bill as follows:

2 1. Page 626, line 2: delete lines 2 and 3 and substitute:

3 "49.68 (3) (e) State aids for ~~services~~ any service provided under this section
4 shall be equal to the lower of the allowable charges charge under the Medical
5 Assistance Program under subch. IV or the federal ~~medicare program~~ Medicare
6 Program. In no".

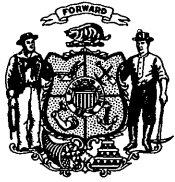
7 ~~2. Page 627, line : delete "??" and substitute "??".~~

8 ~~3.~~ Page 627, line 21: delete the material beginning with "The rules" and ending
9 with "4.25%" on page 628, line 2, and substituted The rules shall require a person to
10 pay 0.05% of his or her total family income for the cost of medical treatment covered
11 under s. 49.68, 49.683, or 49.685 if that income is from 200% to 250% of the federal

1 poverty line, 0.75% if that income is more than 250% but less not more than 275%
2 of the federal poverty line, 1% if that income is more than 275% but not more than
3 300% of the federal poverty line, 1.25% if that income is more than 300% but not more
4 than 325% of the federal poverty line, 2% if that income is more than 325% but not
5 more than 350% of the federal poverty line, 2.75% if that income is more than 350%
6 but not more than 375% of the federal poverty line, 3.5% if that income is more than
7 375% but not more than 400% of the federal poverty line, and 4.5%”.

8 #. Page 629, line 15: delete “\$5” and substitute “\$7.50”.

9 (END)



State of Wisconsin
2003 - 2004 LEGISLATURE

LRBb0142/5
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LFB:.....Swissdorf (CM) – Changes to Chronic Disease Program

FOR 2003-05 BUDGET — NOT READY FOR INTRODUCTION

SENATE AMENDMENT ,

TO 2003 SENATE BILL 44

SOON
(in
S-20)
D-note

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→ 0.50%

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7 **3.** Page 629, line 15: delete “\$5” and substitute “\$7.50”.

8 (END)

D-note Date PJK:kjf

This redraft changes “0.05%” to
 “0.50%” correcting a typographical
 error in the previous version.

PJK

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRBb0142/2dn
PJK:kjf:jf

May 20, 2003

This redraft changes "0.05%" to "0.50%," correcting a typographical error in the previous version.

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



State of Wisconsin
2003 - 2004 LEGISLATURE

LRBb0142/2
PJK:kjf:jf

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FOR 2003-05 BUDGET — NOT READY FOR INTRODUCTION

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7 **3.** Page 629, line 15: delete “\$5” and substitute “\$7.50”.

8 (END)