

Fiscal Estimate - 2003 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 03-0715/2	Introduction Number SB-204	
Subject Creation of health care purchasing alliances		
Fiscal Effect		
State:		
<input type="checkbox"/> No State Fiscal Effect <input type="checkbox"/> Indeterminate <input type="checkbox"/> Increase Existing Appropriations <input checked="" type="checkbox"/> Increase Existing Revenues <input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Decrease Existing Revenues <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Create New Appropriations <input type="checkbox"/> Decrease Costs		
Local:		
<input checked="" type="checkbox"/> No Local Government Costs <input type="checkbox"/> Indeterminate 1. <input type="checkbox"/> Increase Costs 3. <input type="checkbox"/> Increase Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 2. <input type="checkbox"/> Decrease Costs 4. <input type="checkbox"/> Decrease Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 5. Types of Local Government Units Affected <input type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities <input type="checkbox"/> Counties <input type="checkbox"/> Others <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts		
Fund Sources Affected		
<input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS 20.144 (1)(g)		
Affected Ch. 20 Appropriations		
Agency/Prepared By DFI/ Susan Dietzel (608) 267-0399	Authorized Signature Susan Dietzel (608) 267-0399	Date 7/17/2003

Fiscal Estimate Narratives
DFI 7/17/2003

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Assumptions Used in Arriving at Fiscal Estimate

This bill would have an impact on the operations of the Department to the extent that the articles of organization for the five proposed corporations would be submitted for examination and processing under Ch. 185 of the Wisconsin Statutes.

While the legislation provides that the content of the articles of organization of these five cooperatives would, to some degree, differ from that of a cooperative organized under the general provisions of Ch. 185. It would not be unduly difficult for the examiners to interpret and apply those differences in accordance with proposed s. 185.99, provided the articles of organization make clear that the cooperative is organized as a health benefit purchases cooperative under s. 185.99. The legislation calls for somewhat different organization requirements than a standard cooperative, but it is not clear whether or not those requirements are temporary or whether at some point the cooperatives included in this legislation would need to meet organization requirements for cooperatives in general.

Fiscal Effect

The cost to update our database structure to accommodate the new health benefit purchasing cooperatives, including creating a new record type and modifying searches and reports is estimated at approximately \$2,000.

With the five pilot cooperatives, there will be an increase to revenue of \$125 in the first year (5 new cooperatives with a filing fee of \$25) and on-going annual revenue increase of \$60, resulting from annual report fees (5 @ \$15).

Long-Range Fiscal Implications