



STATE OF WISCONSIN Assembly Journal

Ninety-Seventh Regular Session

TUESDAY, August 29, 2006

The Chief Clerk makes the following entries under the above date:

ADMINISTRATIVE RULES

Assembly Clearinghouse Rule 05–113

Relating to erosion control, sediment control and storm water management for one- and 2-family dwellings and commercial buildings, and affecting small businesses.

Submitted by Department of Commerce.

Report received from Agency, August 16, 2006.

To committee on **Natural Resources**.

Referred on August 17, 2006.

Assembly Clearinghouse Rule 06–035

Relating to assessment and services for drivers with alcohol or controlled substance problems, and affecting small businesses.

Submitted by Department of Health and Family Services.

Report received from Agency, August 18, 2006.

To committee on **Corrections and the Courts**.

Referred on August 23, 2006.

Assembly Clearinghouse Rule 06–061

Relating to procedures for the administration of the municipal employment relations act.

Submitted by Employment Relations Commission.

Report received from Agency, August 11, 2006.

To committee on **Labor**.

Referred on August 22, 2006.

Assembly Clearinghouse Rule 06–062

Relating to procedures for civil rights complaints and affecting small businesses.

Submitted by Department of Workforce Development.

Report received from Agency, August 16, 2006.

To committee on **Labor**.

Referred on August 22, 2006.

Assembly Clearinghouse Rule 06–066

Relating to the establishment of an annual fee to partially offset the costs of monitoring persons who are required to register as sex offenders and who are in the custody of the Department of Corrections or are on probation, parole, or extended supervision.

Submitted by Department of Corrections.

Report received from Agency, August 22, 2006.

To committee on **Corrections and the Courts**.
Referred on August 29, 2006.

Assembly Clearinghouse Rule 06–071

Relating to the installation and inspection of manufactured homes and affecting small business.

Submitted by Department of Commerce.

Report received from Agency, August 16, 2006.

To committee on **Housing**.

Referred on August 17, 2006.

Assembly Clearinghouse Rule 06–076

Relating to prescribing forms for use by physicians, technicians, and tissue bank employees when removing organs and tissue, other than cardiovascular tissue from decedents.

Submitted by Department of Health and Family Services.

Report received from Agency, August 18, 2006.

To committee on **Health**.

Referred on August 29, 2006.

Assembly Clearinghouse Rule 06–082

Relating to operator's licenses and identification cards, and affecting small businesses.

Submitted by Department of Transportation.

Report received from Agency, August 22, 2006.

To committee on **Transportation**.

Referred on August 29, 2006.

Assembly Clearinghouse Rule 06–083

Relating to defined network plans, preferred provider plans, limited service health organizations and limited scope plans and affecting small businesses.

Submitted by Insurance Commissioner.

Report received from Agency, August 16, 2006.

To committee on **Insurance**.

Referred on August 23, 2006.

Assembly Clearinghouse Rule 06–092

Relating to driver's education requirements and aid.

Submitted by Department of Public Instruction.

Report received from Agency, August 18, 2006.

To committee on **Education**.

Referred on August 23, 2006.

Assembly Clearinghouse Rule 06–093

Relating to establishing qualifications and selection procedures for CESA administrators.

Submitted by Department of Public Instruction.

Report received from Agency, August 18, 2006.

To committee on **Education**.
Referred on August 23, 2006.

AGENCY REPORTS

State of Wisconsin
Legislative Audit Bureau
Madison

August 10, 2006

REFERRAL OF AGENCY REPORTS

State of Wisconsin
Housing and Economic Development Authority
Madison

August 15, 2006

To the Honorable, the Assembly:

Pursuant to Wisconsin Statute 234.93(5), enclosed please find the following reports relating to the Wisconsin Development Reserve Fund:

Annual Report of Guarantee Funds as of June 30, 2006.

Should you have any questions or comments on the reports, please feel free to call me at 266--640.

Sincerely,
LAURA B. MORRIS
Chief Financial Officer

Referred to committee on **Housing**.

State of Wisconsin
Department of Health and Family Services
Madison

August 25, 2006

To the Honorable, the Legislature:

In accordance with sec. 1.11(2)(j) Wis. Stats., the Department of Health and Family Services reports that it did not conduct any Environmental Assessments or Environmental Impact Statements during the reporting period of July 1, 2005 through June 30, 2006.

Sincerely,
HELENE NELSON
Secretary

Referred to committee on **Natural Resources**.

To the Honorable, the Assembly:

At the request of the Department of Health and Family Services (DHFS), we have completed a financial audit of the Health Insurance Risk-Sharing Plan (HIRSP) for fiscal year (FY) 2004-05. HIRSP provides medical and prescription drug insurance for almost 19,000 policyholders who are unable to obtain coverage in the private market or who have lost employer-sponsored group health insurance. We have provided an unqualified opinion on HIRSP's financial statements.

Enrollment has begun to moderate following years of double-digit increases. It increased 5.4 percent during FY 2004-05, then decreased slightly during FY 2005-06. However, net claims costs increased 25.5 percent during FY 2004-05, to a total \$130.4 million. That size of increase was unexpected and contributed to a \$7.1 million decrease in HIRSP's accounting balance, which showed a small deficit of \$300,000 as of June 30, 2005. The deficit appears to have been addressed in FY 2005-06.

DHFS and HIRSP's Board of Governors increased the usual and customary discounts applied to medical bills for the period from January 1, 2004 through June 30, 2005. However, we found another change to the discounts mistakenly was not implemented July 1, 2005. If uncorrected, this oversight would have materially affected HIRSP's financial statements for FY 2005-06, and corresponding funding levels. In May 2006, DHFS took steps to address this oversight.

[2005 Wisconsin Act 74](#) made significant changes to HIRSP. Among the most significant is the creation of the HIRSP Authority, which assumed oversight responsibility from DHFS on July 1, 2006. Other significant changes include simplifying HIRSP's complex funding formula, providing increased flexibility for plan design, and establishing income tax credits for insurers that pay assessments for HIRSP. Under Act 74, the Audit Bureau will continue to conduct annual financial audits of HIRSP.

We appreciate the courtesy and cooperation extended to us by DHFS and the plan administrator for HIRSP.

Respectfully submitted,
JANICE MUELLER
State Auditor