

## 👉 05hr\_SSC-HCR\_Misc\_pt34



👉 Details: Hearing held in Madison, Wisconsin on September 27, 2006.

(FORM UPDATED: 08/11/2010)

# WISCONSIN STATE LEGISLATURE ... PUBLIC HEARING - COMMITTEE RECORDS

## 2005-06

(session year)

## Senate

(Assembly, Senate or Joint)

## Select Committee on Health Care Reform...

### COMMITTEE NOTICES ...

- Committee Reports ... **CR**
- Executive Sessions ... **ES**
- Public Hearings ... **PH**

### INFORMATION COLLECTED BY COMMITTEE FOR AND AGAINST PROPOSAL

- Appointments ... **Appt** (w/Record of Comm. Proceedings)
- Clearinghouse Rules ... **CRule** (w/Record of Comm. Proceedings)
- Hearing Records ... bills and resolutions (w/Record of Comm. Proceedings)  
(**ab** = Assembly Bill)                      (**ar** = Assembly Resolution)                      (**ajr** = Assembly Joint Resolution)  
(**sb** = Senate Bill)                              (**sr** = Senate Resolution)                              (**sjr** = Senate Joint Resolution)
- Miscellaneous ... **Misc**

\* Contents organized for archiving by: Stefanie Rose (LRB) (August 2012)

## Stegall, Jennifer

---

**Subject:** FW: Digital Healthcare, Inc  
**Attachments:** One Page DHI Explanation - WI M'aid.doc

---

**From:** Stegall, Jennifer  
**Sent:** Wednesday, May 24, 2006 9:01 AM  
**To:** Volz, David  
**Subject:** Digital Healthcare, Inc

Hey Dave,

I just wanted to mention a meeting to you in case you are interested. Carol is planning to meet with the people listed below regarding Digital Healthcare Inc. I've attached a one page explanation of DHI.

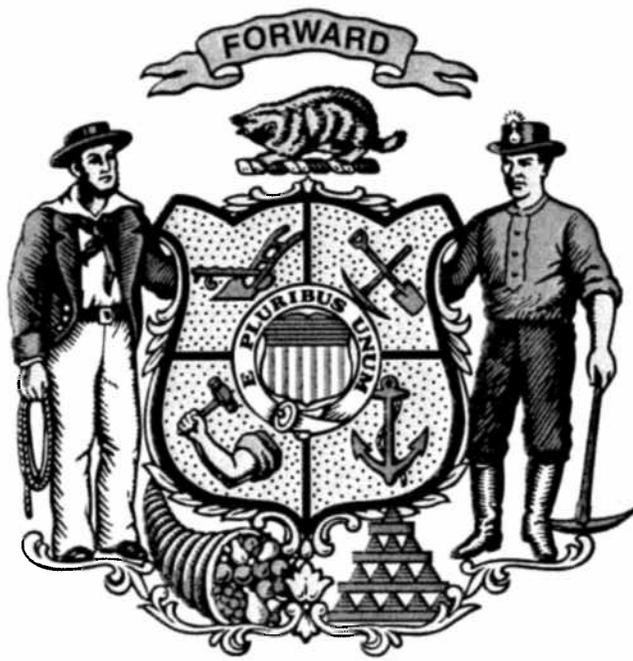
The meeting is scheduled for Tuesday May 30th at 11:00am in room 330 SW.

Laura Rose 6-1304  
Marlia Moore 6-3847  
Ron Hermes, Ken Bybevik , and Jim Johnston  
Douglas McIntosh, 216-520-1005 or cell 440-478-0970  
Capitol Consultants: Bill McCoshen, Tony Langenohl 258-8411  
Senator Brown (staff)  
Rep. Rhoades (staff)

-Jennifer



One Page DHI  
Explanation - WI ...



**Stegall, Jennifer**

---

**Subject:** CR and JS: DHI Meeting  
**Start:** Tue 05/30/2006 11:00 AM  
**End:** Tue 05/30/2006 12:00 PM  
**Recurrence:** (none)  
**Meeting Status:** Meeting organizer  
**Required Attendees:** Stegall, Jennifer

*Who's  
Woman  
RT of  
DHS Rep*

*Rhodes  
Stegall*

Location 330 SW

Laura Rose 6-1304  
Marlia Moore 6-3847  
~~Ron Hermes, Ken Bybevik, and Jim Johnston~~  
~~Douglas McIntosh, 216-520-1005 or cell 440-478-0970~~  
Capitol Consultants: Bill McCoshen, Tony Langenohl 258-8411  
Senator Brown (staff)  
Rep. Rhoades (staff)

---



**DIGITAL HEALTHCARE, INC.**  
*Enhanced Electronic Commerce*

June 1, 2006

Mr. Mark B. Moody, Administrator  
Division of Health Care Financing  
Wisconsin Department of Health & Family Services JUN 8 6 2006  
1 W. Wilson Street, Room 350  
Madison, WI 53701

Dear Mark;

It was a pleasure to meet with you and I appreciated the opportunity to introduce you and your team to Digital Health Care, Inc. and the thoughtful questions that you raised.

It is interesting to see the wide variance in how different states handle their third party liability. It was clear from our meeting Tuesday, and from later meetings with lawmakers, that Wisconsin is ahead of its peers, due in no small part to your leadership.

You asked about implementation procedures. The accompanying GANT chart lists the steps Wisconsin Medicaid and Digital Healthcare will take and approximate times for completion. Each state is unique, making this more of a projection than a schedule.

I am also enclosing our audit subscription agreement. You will see that it spells out our respective responsibilities in good detail, and provides for expanding the audit as several states already requested. It also includes the data layout, and suggested text for the State's letter to payors authorizing Digital Healthcare to act for Wisconsin.

Internal preparations for data transmittal are: decide the time span the review will cover, agree the format and protocol for transmittal, and exchange IP addresses with DHI. The time necessary to do that will depend on your own IT infrastructure and priorities.

It is my hope that after we conduct the audit for the State you will find our product to be a useful management tool and elect to use our online service going forward.

Cordially,

Douglas S. McIntosh

Copies: Ken Dybevik, Sen. Carol Roessler, Capitol Consultants, Inc.

9800 Rockside Road, Suite 1000  
Cleveland, OH 44125  
Office: 216-520-1005  
Cell: 440-478-0970

## SUBSCRIPTION AGREEMENT

### PARTIES

The parties to this Agreement include [**State**], an executive arm of the state (hereinafter "Subscriber") and DIGITAL HEALTHCARE, INC., a South Dakota Corporation headquartered at Cleveland, Ohio.

### RECITALS:

Whereas, Subscriber operates a health plans defined in HIPAA; and,

Whereas, Subscriber is aware of the audited reports of the National COB Cost Analysis illustrating that undiscovered COB rates averaged 20% of eligibility data in that study and of Digital Healthcare's unique capacity to provide automated, pre-emptive COB testing on live claims without substantial delay in processing time; and,

Whereas, Subscriber wishes to eliminate the possibility of False Claims under 37 USC 3729 being filed against the taxpayers' assets in its custody from Federal or state budget allocations; and

Whereas, the Subscriber's policy is to carry into the most thorough possible effect the COB Federal policy of claims avoidance as enunciated at CFR 443; and,

Whereas, Digital Healthcare is sole US licensee of patent applications, copyrights, trade secrets, non-competition agreements, and other intellectual property governing the process of automating the coordination of benefits ("COB") and related integrated processes in healthcare finance;

NOW THEREFORE, the parties to this Agreement concur on the following terms and conditions of a Subscription of the said health plans to Digital Healthcare's services:

### 1. DUTIES OF DIGITAL HEALTHCARE

Digital Healthcare will:

1. test the Subscriber's historical claims from January 01, 2005 forward and, after the date of implementation of pre-emptive testing set by the Subscriber below, live claims submitted by medical providers against the Subscriber's health plan(s) against
  - i) the available cost free eligibility gateways required under Health Insurance Portability and Accountability Act of 1996, as amended,
  - ii) voluntarily uploaded eligibility records from other health plans, payers, and providers,
  - iii) where double coverage is found, apply the standard Federal and NAIC COB rules to determine primacy, and
    1. for historical claims, report the detailed findings to the Subscriber and
    2. for live claims, reject those claims as False that are primary elsewhere.

- b) exercise its best efforts to open the eligibility data gateways required by Sections 1173 and 1175 of the US Health Insurance Portability and Accountability Act of 1996,
- c) report monthly to the Subscriber on the progress of this project,
- d) will communicate the Subscriber's notices of
  - 1) the use of this process to health plans bound by HIPAA to reply to eligibility inquiries and other messages, together with the cheaper means of achieving compliance, in an agreed-upon fashion and
  - 2) the date of implementation of online pre-emptive COB and plan structure processing in an agreed-upon fashion to the medical providers paid by the Subscriber between January 01, 2005 and the date of implementation.
- e) will organize mailed notices, call centers, automated messages, websites and other tools to enable the education and compliance of the Subscriber's trading partners in a manner consistent with the dignity and social purposes of the said health plans.

## 2. DUTIES OF SUBSCRIBER

### A) The Subscriber will:

- i) provide to Digital Healthcare its eligibility and claims data in the format attached to this Agreement as Appendix A from January 2005 and successive months in a manner most easily accomplished by the Subscriber or the county or provider offices which enable enrollment,
- ii) execute the draft letters attached to this Agreement to confer authority on Digital Healthcare to carry out its obligations hereunder,
- iii) receive the reports to be provided by Digital Healthcare as set forth above.
- iv) Should such reports include the names of non-HIPAA-compliant health plans,
  - a. promptly delegate the enforcement of HIPAA to Digital Healthcare or commence enforcement itself and
  - b. recommend to the Assembly of the Commonwealth the prompt adoption of legislation similar to PA 1186 and CA X, attached hereto as Appendix B.
- v) enable the receipt of the ANSI-standard transactions mandated by HIPAA from Digital Healthcare by its claim payment units.
- vi) Upload to Digital Healthcare its Plan Structures(s), discounting and formulary structures and the like to maximize the effectiveness of the automation of these steps in claim processing.
- vii) after the date of notice of automated, pre-emptive coordination of benefits set forth in item (b) next following, will reject any claim for medical services not filed through a Digital Healthcare server.

viii) condition the renewal of any managed care vendor upon the parallel adoption, at their cost, of this same business process.

**B) The Subscriber**

Now sets \_\_\_\_\_ (date) as the effective date of the commencement of pre-emptive testing of its claims for primacy, medical necessity, and plan structure rejections.

\_\_\_\_\_  
(initials)

Will set the date of pre-emption upon the completion of a first cycle of COB tests of its historical claims and the presentation of an audited report thereon.

\_\_\_\_\_  
(initials)

**3. CONSIDERATION**

The parties take notice that Digital Healthcare under HIPAA may not charge for merely acting as the electronic "inbox" for the Subscriber, but intends to charge for related services to providers, Medicaid fixed-premium health plan vendors, and commercial health plans.

Digital healthcare retains a right to use the summary data of this process as a reference to other parties and a benchmark of its impact on the fiscal integrity of US healthcare finance.

The parties concur that the performance by the Subscriber of its undertakings listed above and the warranties below, particularly those protecting digital Healthcare's intellectual property, are sufficient consideration to bind this Agreement.

**4. HIPAA BUSINESS ASSOCIATE AGREEMENT**

The parties to this Agreement concur that these proceedings are exempted from privacy protections arising under HIPAA and its regulations by virtue of 45 CFR 164.501(d)(2) and 164.506.

Nevertheless, pursuant to HIPAA and the Privacy Rule, Protected Health Information that Digital Healthcare will create, have access to and/or receive from The Subscriber may be used or disclosed only in accordance with this Agreement and the Privacy Rule.

The Subscriber and Digital Healthcare agree as follows:

**4.1. Definitions**

Digital Healthcare. "Digital Healthcare" shall mean the DIGITAL HEALTHCARE, INC., a South Dakota Corporation situated in Cleveland, Ohio.

Subscriber. "Subscriber" shall mean \_\_\_\_\_.

**Individual.** "Individual" shall have the same meaning as the term "individual" in 45 CFR § 160.103 and shall include a person who qualifies as a personal representative in accordance with 45 CFR § 164.502(g).

**Privacy Rule.** "Privacy Rule" shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 CFR Part 160 and Part 164, Subparts A and E.

**Protected Health Information.** "Protected Health Information" shall have the same meaning as the term "protected health information" in 45 CFR § 160.103, limited to the information created or received by Digital Healthcare from or on behalf of The Subscriber.

**Required By Law.** "Required By Law" shall have the same meaning as the term "required by law" in 45 CFR § 160.103.

**Secretary.** "Secretary" shall mean the Secretary of the Department of Health and Human Services or the Secretary's designee.

**Data Aggregation Services.** "Data Aggregation Services" shall mean, with respect to Protected Health Information created or received by Digital Healthcare in its capacity as a recipient of PHI from the The Subscriber, the combining of such PHI by Digital Healthcare with the protected health information received by Digital Healthcare in its capacity as a receiver of PHI from another agency, to permit data analyses that relate to the health care operations of the respective covered entities, as defined in 45 CFR § 164.501.

**Data Record Set.** "Data Record Set" shall mean a group of records maintained by or for the Subscriber that consists of the following:

- a. medical records and billing records about Individuals maintained by or for a health care provider;
- b. enrollment, payment, claims adjudication, and case or medical management record systems maintained by or for a health plan; or
- c. used in whole or in part, by or for The Subscriber to make decisions about Individuals. For these purposes, the term "record" means any item, collection, or grouping of information that includes PHI and is maintained, collected, used, or disseminated by or for The Subscriber.

**Electronic Transactions Standards.** "Electronic Transactions Standards" shall mean the Standards for Electronic Transactions at 45 CFR Parts 160 and 162.

**HHS.** "HHS" shall mean the United States Department of Health and Human Services.

**Other Terms.** Other capitalized terms shall have the meaning ascribed to them elsewhere in this Agreement, or, if no such definition is specified herein, shall have the same meaning as those terms in 45 CFR §§ 160.103 and 164.501. Any reference to any Part, Subpart or section in the Code of Federal Regulations ("CFR") shall include any regulation issued thereunder regardless of the date of issue.

#### 4.2 Confidentiality Under the Health Insurance Portability and Accountability Act, 1996 (HIPAA):

The Subscriber is a Covered Agency under the act and therefore Digital Healthcare is not permitted to use or disclose health information in ways that The Subscriber could not. This protection continues as long as the data is in the hands of Digital Healthcare.

**Definition:** For purposes of this section, the terms "Protected Health Information" and "PHI" shall have the same meaning as the term "protected health information" in 45 CFR § 160.103 and is individually identifiable information in any medium pertaining to the past, present or future physical or mental health or condition of an individual; the provision of health care to an individual; or the past, present or future payment for the provision of health care to an individual, that Digital Healthcare receives from The Subscriber or that Digital Healthcare creates or receives on behalf of The Subscriber. The terms "Protected Health Information" and "PHI" apply to the original data and to any health data derived or extracted from the original data that has not been de-identified.

Electronic protected health information (EPHI) is a subset of PHI and means individually identifiable health information that is transmitted by or maintained in electronic media.

- a) Required/Permitted Uses Section 164.504(e)(2)(i): Digital Healthcare is required/permitted to use the PHI for the following purposes:

To audit the prior claims of the Subscriber thus allowing the State to measure the effect of Digital healthcare's methods on the budget of the health plans under the Subscriber's administration.

To automate the pre-emption of COB and other plan structure protections and deliver clean claims to the Subscriber's payment systems.

- b) Required/Permitted Disclosures Section 164.504(e)(2)(i): Digital Healthcare shall disclose The Subscriber's PHI only as allowed herein or as specifically directed by The Subscriber.
- c) Limitation of Use and Disclosure Section 164.504(e)(2)(ii)(A): Digital Healthcare agrees that it will not use or further disclose the PHI other than as permitted or required by this contract or as required by law.
- d) Disclosures Allowed for Management and Administration Section 164.504(e)(2)(i)(A) and 164.504(e)(4)(i): Digital Healthcare is permitted to use and disclose PHI received from The Subscriber in its capacity as a recipient of PHI from The Subscriber or from medical providers if such use is necessary for the management and administration of the Digital Healthcare data use agreement with The Subscriber or to carry out the legal responsibilities of Digital Healthcare.
- e) Minimum Necessary: Digital Healthcare agrees to limit the amount of PHI used and/or disclosed pursuant to this section to the minimum necessary to achieve the purpose of the use and disclosure.

- f) Safeguarding and Securing PHI Sections 164.308, 164.310, 164.312, 164.314 and 164.504(e)(2)(ii)(B): Digital Healthcare agrees to implement administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of the PHI and or EPHI that Digital Healthcare creates, receives, maintains, or transmits. Digital Healthcare will furnish The Subscriber with a written description of such safeguards taken upon request. Digital Healthcare agrees to allow authorized representatives of The Subscriber access to premises where the PHI and or EPHI is kept for the purpose of inspecting physical security arrangements.
- g) Agents and Subcontractors Section 164.504(e)(2)(ii)(D): Digital Healthcare will ensure that any entity, including agents and subcontractors, to whom it discloses PHI received from The Subscriber or created or received by Digital Healthcare on behalf of The Subscriber agrees to the same restrictions, conditions and safeguards that apply to Digital Healthcare with respect to such information.
- h) Right to Review: The Subscriber reserves the right to review terms of agreements and contracts between the Digital Healthcare and subcontractors as they relate to the use and disclosure of PHI belonging to The Subscriber.
- i) Ownership: Digital Healthcare shall at all times recognize The Subscriber's ownership of the PHI.
- j) Notification Section 164.304, 164.314 (a)(2)(C) and 164.504(e)(2)(ii)(C): Digital Healthcare shall notify The Subscriber both orally and in writing of any use or disclosure of PHI and or EPHI not allowed by the provisions of this Agreement of which it becomes aware, and of any instance where the PHI is subpoenaed, copied or removed by anyone except an authorized representative of The Subscriber or Digital Healthcare. Digital Healthcare shall report to The Subscriber any security incident within 5 business days of becoming aware of such incident. For the purposes of this paragraph, "security incident" shall mean the attempted or successful unauthorized access, use, disclosure, modification or interference with systems operations in an information system.
- k) Transmission of PHI Section 164.312 (c)(1) and 164.312 (c)(2): Digital Healthcare agrees to follow the HIPAA standards with regard to the transmission of PHI.
- l) Employee Compliance with Applicable Laws and Regulations: Digital Healthcare agrees to require each of its employees having any involvement with the PHI to comply with applicable laws and regulations relating to security, confidentiality and privacy of the PHI and with the provisions of this Agreement.
- m) Custodial Responsibility: Penny Burton, an officer and employee of Digital Healthcare, is designated as the custodian of PHI and will be responsible for observance of all conditions of use. If custodianship is transferred

within the organization, Digital Healthcare shall notify The Subscriber promptly.

- n) Access, Amendment, and Accounting of Disclosures Section 164.504(e)(2)(ii)(E-G): Digital Healthcare will provide access to the PHI in accordance with 45 C.F.R. Section 164.524. Digital Healthcare will make the PHI available for amendment and incorporate any amendments to the PHI in accordance with 45 C.F.R. Section 164.526. Digital Healthcare will make available the information required to provide an accounting of disclosures in accordance with 45 C.F.R. Section 164.528.
- o) Documentation Verifying HIPAA Compliance Section 164.504(e)(2)(ii)(H): Digital Healthcare will make its policies, procedures, and documentation relating to the security and privacy of protected health information, including EPHI, available to the Secretary of Health and Human Services for purposes of determining The Subscriber's compliance with 45 C.F.R. Parts 160 and 164. Digital Healthcare will make these same policies, procedures, and documentation available to The Subscriber or its designee upon request.
- p) Contract Termination Section 164.314 (a)(2)(i)(D) and 164.504(e)(2)(ii)(I): Digital Healthcare agrees that within 45 days of the termination of this contract, it will return or destroy, at The Subscriber's direction, any and all PHI that it maintains in any form and will retain no copies of the PHI. If the return or destruction of the PHI is not feasible, the protections of this section of the contract shall be extended to the information, and further use and disclosure of PHI is limited to those purposes that make the return or destruction of PHI infeasible. Any use or disclosure of PHI except for the limited purpose is prohibited.
- q) Termination for Compliance Violation Section 164.314 (a)(2)(i)(D) 164.504(e)(2)(iii) and Section 164.504(e)(1)(ii): Digital Healthcare acknowledges that The Subscriber is authorized to terminate this Agreement if The Subscriber determines that Digital Healthcare has violated a material term of this section of the Agreement. If termination of the Agreement is not feasible due to an unreasonable burden on The Subscriber, Digital Healthcare's violation will be reported to the Secretary of Health and Human Services, along with steps The Subscriber took to cure or end the violation or breach and the basis for not terminating the Agreement.

## 5. TERM AND TERMINATION

The parties concur that the process of collecting records and enforcing HIPAA gateways may be time consuming, and that, since the Subscriber's costs are not increased by lapse of time, the historical audit phase of this Agreement shall continue until the undiscovered COB rate in the Subscriber's records is proved.

This Agreement may be terminated on thirty days notice for uncorrected Cause.

Cause hereunder shall consist of intentional or negligent disclosure of private health information or other willful acts contrary to the interest of the Subscriber and/or outside the undertakings of this Agreement.

This Agreement shall terminate on the fifth anniversary of the date of its execution.

6. INDEMNIFICATION

- A) Digital Healthcare agrees to indemnify and hold Subscriber harmless from any and all claims, costs or damages, including reasonable attorney fees, incurred as a result of any breach of the terms and conditions of this Agreement.
- B) Digital Healthcare shall, at its own expense, defend or at its option settle any claim, suit or proceeding brought against Subscriber on the issue of infringement of any United States patent, trade name, trademark, service mark, trade secret, copyright or other proprietary rights of any third party arising from Digital Healthcare's services rendered under this Agreement. Digital Healthcare shall indemnify Subscriber against any costs, expense or damages incurred in defending or finally awarded against Subscriber in such action, provided that Subscriber promptly notifies Digital Healthcare in writing of the action and provided further that Subscriber permits Digital Healthcare to defend or settle the action and cooperates and provides all available information, assistance and authority to enable Digital Healthcare to do so. Subscriber shall not be liable for any costs, expenses, damages or fees incurred by Digital Healthcare in defending such action or claim unless authorized in writing by Subscriber.

7. MISCELLANEOUS

- A) This document contains the entire agreement of the parties, and no addition or amendment hereby shall be allowed without the express consent of both parties.
- B) Nothing in this Agreement shall operate to create an employer-employee, joint venture or partnership relationship between the parties and the parties shall remain independent contractors to one another.
- C) Digital Healthcare retains the right to use the statistical data on undiscovered COB events in the Subscriber's account as a component of aggregate data on undiscovered COB events as a reference for the value of its process but shall not retain nor make use of any PHI or other confidential information of Subscriber under this Agreement.
- D) The Subscriber operates under Tax Identification Number(s): \_\_\_\_\_.
- E) Digital Healthcare's Tax Identification Number is 34-1751421.
- F) All data and records created by Digital Healthcare in the execution of its duties under this Agreement are and shall remain the property of Digital Healthcare.
- G) The Subscriber acknowledges that Digital Healthcare is the sole US licensee of various intellectual property on the automation of the COB and related processes, and hereby agrees and warrants that it will not encroach upon the rights and interests conveyed by those licenses itself, nor enable any other party to do so by organizing, investing in, sponsoring, consulting to, hiring, or providing data to any encroacher. This covenant shall survive the maturity or termination of this Agreement.

- H) If any provision in this agreement is held to be invalid or unenforceable it shall be ineffective only as to the extent of the invalidity without affecting or impairing the validity and enforceability of the remainder of the provision or the remaining provisions of this agreement.
- I) For tax purposes, services performed by Digital Healthcare are deemed to be performed at the headquarters thereof. Therefore, this agreement shall be construed and enforced in accordance with the laws of the state where that headquarters is found.
- J) In the event this Agreement shall be deemed to be vague or ambiguous and subject to interpretation, the parties shall amend it to accomplish the purposes set forth in the Recitals above.
- K) This agreement shall be binding upon and shall inure to the benefit of all successors and assigns of the parties.
- L) This Agreement shall not be assigned by either party without the express written consent of the other party.

IN WITNESS OF THEIR AGREEMENT TO THE FOREGOING COVENANTS, the parties have hereto set their hands this \_\_\_\_\_ day of \_\_\_\_\_, 2006.

\_\_\_\_\_  
 Richard Godoy  
 President,  
 Digital Healthcare, Inc.

\_\_\_\_\_  
 \_\_\_\_\_  
 Print Name  
 [State] Medicaid

\_\_\_\_\_  
 Penny Burton  
 Secretary,  
 Digital Healthcare, Inc.



## Appendix A

### Digital Healthcare

#### Record Layout for Historical COB Test

Digital Healthcare is conducting an audit of your historical claims to find any undiscovered COB events that may exist.

Your record should consist of data from January 2005 forward in time, and you should continue uploading this record into the future until by mutual agreement online pre-emption takes the place of these historical records.

If there are data elements that are difficult to provide, or if we can help by mapping a standard report for you, please call us at 216-520-1005.

Please provide your data as a **comma delimited, .txt file** including the following data elements as distinct fields:

Patient First Name	Text
Patient Last Name	Text
Patient DOB	YYYYMMDD
Patient SSN	Text
Patient Street Address	Text
Patient City	Text
Patient State	Text
Patient Zip	Text
Plan Sponsor Name	Text
Group Number	Text
Plan Number	Text
Payer Name	Text
Coverage Status	Text
Effective Date	Text
First Date of Service	YYYYMMDD
Last Date of Service	YYYYMMDD
Primary ICD	Text
Primary CPT	Text
Billed Amount	Text
Paid Amount	Text

**APPENDIX A:**

**Your Letterhead**

**To: Health Plans and Payers**

**Date: \_\_\_\_\_**

**[State] Medicaid has retained Digital Healthcare, Inc. to automate our coordination of benefits and e-commerce transactions.**

**Pursuant to the mandate in HIPAA Sections 1171 through 1176, Digital Healthcare is expected to make eligibility inquiries on our behalf from every other health plan in the market to determine when your plan and others may be primary.**

**Since the objective of this delegation of agency is to insure the fiscal integrity of the taxpayers' funds placed in our trust and this accords with the intent of Congress in passing HIPAA, we expect every payer to promptly create interfaces with Digital Healthcare to enable these transactions under the Act, and to receive and process our transactions in real time thereafter.**

**We understand that Digital Healthcare offers to store your data securely on their servers, which may be less expensive than compliance by EDI.**

**We look forward to Digital Healthcare, Inc.'s certification that you are fully interfaced.**

**Yours,**

\_\_\_\_\_  
**Name**  
**Title**  
**The Subscriber**

**c.c.: Digital Healthcare, Inc.**

APPENDIX C: Your Letterhead

Date

Dear Medical Service Provider:

[State] Medicaid has retained Digital Healthcare, Inc. to automate our coordination of benefits and e-commerce transactions.

Digital healthcare's patent-protected technology allows the automated, pre-emptive coordination of benefits against all 4000 payers in the US system, which should be a great aid in avoiding the intentional or inadvertent filing of any False Claim against this program which, as you know, is partly funded with Federal funds.

Medicaid exists to fund your services to our vulnerable fellow-citizens, but of course this does not extend to paying claims that are the liability of another health plan.

The enclosed flier and a voiced over slideshow explaining this decision at [www.XYZ.com](http://www.XYZ.com) explain this decision in greater detail.

The appointment of Digital Healthcare to perform this task has three important consequences for you:

1. Effective (date), [State] Medicaid will not pay any claim that has not been filed electronically through Digital Healthcare's servers. If we did, the protection afforded to you and the taxpayer could be foiled.
2. Our IP address for claims will change. In order to register and acquire an interface to us through those servers, please go to [www.XYZ](http://www.XYZ) [State] Medicaid Claims.com.

Any provider not yet prepared to file claims electronically can obtain an interface at [www.ABC.com](http://www.ABC.com).

3. You can file your claims free of charge at Digital Healthcare. In executing its duty to us, Digital Healthcare will reject any claim where another payer is primary to us, and any claim where our plan structure excludes coverage for the care rendered.

This means your rejected claims are likely to increase. Digital Healthcare can prevent that result for its Subscribers. Interested parties should contact the company at [info@dhinc.biz](mailto:info@dhinc.biz).

Yours ,

Name Title





**Stegall, Jennifer**

**Subject:** FW: Phone Call

**From:** Wagner, Mike  
**Sent:** Friday, June 02, 2006 9:03 AM  
**To:** Stegall, Jennifer  
**Subject:** Phone Call

\* Tony Langenhol  
258-8411  
Re: Meeting he had with you and CR last week re: digital health

**Mike Wagner**  
**Office of Sen. Carol Roessler**  
**608-266-5300**

Bill McCosken } Ken said plan to  
Ken Hermes } slow down

Yuk timeline }  
not → hear back from



6/2/06

JS Returned Tony's call -

① Bill McCosken talked to Ken Hermes. Ken said the Dept. plans to slow this way down. Bill hopes this means the Dept. will be deliberate - not slow to kill the project.

② They (Digital Healthcare) plan to provide DHS with what they've requested ~~to~~ today.

③ Tony recalls CR saying that there would be a Yuk timeline - so, if DHI doesn't hear back from the Dept. in Yuks - CR would step in.

\* This is not my recollection. I told Tony I would ask CR what her intention was.



## Stegall, Jennifer

---

**Subject:** FW: Follow up with DHFS

---

**From:** Stegall, Jennifer  
**Sent:** Tuesday, June 06, 2006 11:46 AM  
**To:** Malszycki, Marcie  
**Subject:** Follow up with DHFS

I talked to CR yesterday and she said she would like to follow up with DHFS after the 4th of July weekend to find out how things are going with DHI (Digital Health Inc.). This is the group we met with last week who claims they can save millions of dollars in the MA program. There is a folder on this issue in my lower rt. hand desk drawer in a "CR Leg." hanging file.

I called Ron Hermes and left him a V.M. this morning to let him know CR would be following up after the 4th. I told him I was not sure at this point if that would mean a phone call from you to Ron or if CR would want something more formal like another meeting. I would say you could call Ron after the 4th for the update and CR can decide whether she wants to meet again based on the update info. you provide to her.

When we left the meeting on May 30th, DHI was planning to provide DHFS with technical information Mark Moody thought was needed to determine how much the "free" audit offered by DHI would cost. Even though DHI is offering the audit service for free initially, the DHFS would have to use resources to collect the data DHI would need to conduct the audit. In addition, DHFS would need to dedicate resources to analyze the information DHI would eventually provide in the audit. Mark Moody was planning to contact Arkansas...one of the states that has agreed to allow DHI to perform the audit. The Dept. would also need to consider how forcing providers to participate (like HMO's who contract with the state to provide services to BadgerCare) may impact those relationships and the rates the state pays them for services.

The audit offered by DHI would look at DHFS claims data to determine the number of circumstances where MA paid for services that could have been covered by an alternative provider. Mark Moody didn't think DHI would find too many of these cases because EDS, the company that currently contracts with the state to do this, has not come up with much.

You will want to know from Ron what the status is regarding talks with DHI. If he says that the Dept. has decided to not move forward with DHI, ask for details in terms of what was considered and what factors weighed most heavily on that decision.

Below are some of the other issues discussed at the meeting in May:

\*DHI is a new company.

\*On the information sheet in the DHI folder, DHI makes the following claim: "An audited study by the Company (DHI) projects that 15% or more of the claims paid by MA could be primary elsewhere. In the case of WI., that could be costing the state \$726 million a year." At the meeting, Mark Moody questioned how they arrived at these numbers. DHI replied by saying that they looked at 26 million claims. Mark asked where the claims were from. DHI said they signed with a major clearinghouse to provide the information, which was commercial and public claims data from at least 6 large states. This is important because when you read the DHI info. sheet it sounds like they have information specific to WI. when really they have looked at data from other states and are making the assumption that the same holds true in WI. On the contrary, WI. has been very proactive in this area and does contract with EDS to prevent claims from being paid by MA on the front end when there are other payers that should be held responsible for the cost of a service. They referred to this as "pay avoidance." Mark Moody made the following comment..."15% sounds high for state MA claims. It sounds preposterous."

\*Arkansas and Kansas are the only two states that have signed on with DHI to have the company perform the initial "free" audit.

\*Moody asked about what payers are participating with DHI. He was told Aetna and other regional payers. DHI doesn't have a lot of payers on board and are ready for pushback from insurers. Moody responded by pointing out that insurers can just refuse to participate. DHI came back with a HIPAA requirement that would make providers participate. It didn't sound like DHI had received much information from the Centers of Medicare and Medicaid Services (CMS) indicating they are strongly enforcing the HIPAA requirement. The DHI reps. said that some states have considered legislation to penalize insurance companies who aren't paying claims. These penalties are higher than the HIPAA penalties.

\*DHI has two ways to get claims information from providers...1. query every payer or 2. They can upload eligibility information to their servers (on a regular basis).

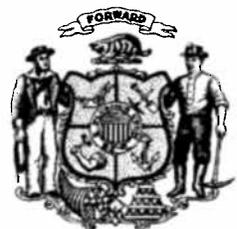
\*How does DHI get paid? Answer: By plan sponsors and providers. MA is free for the first cycle, after that, there is a nominal cost.

\*How long does the audit take? Ans: 90 days.

\*Of the whole MA budget, it looks like roughly \$750 million would be "in play." 70% of money is not in capitation...nursing home care, Long Term Care, community based waivers.



# WISCONSIN STATE LEGISLATURE



## **Stegall, Jennifer**

---

**Subject:** FW: DHI  
**Attachments:** Stegall, Jennifer.vcf

---

**From:** Stegall, Jennifer  
**Sent:** Tuesday, June 06, 2006 12:26 PM  
**To:** 'tony.langenohl@capitolconsultants.net'  
**Cc:** Malszycki, Marcie  
**Subject:** DHI

Hi Tony,

I called you to follow up on your question regarding the May 30th meeting we had with DHI and DHFS but you are out on vacation. Good for you! Hopefully you are out doing something fun!

I was able to talk to Senator Roessler yesterday regarding her plans with this issue and she said she will follow up with DHFS after the 4th of July to get an update. Depending on where things are at, she may or may not hold another meeting between the interested parties.

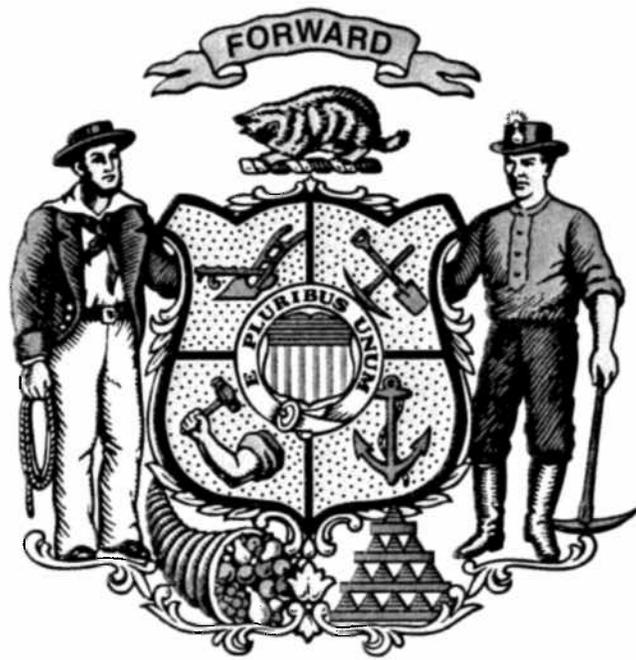
As a side note, I am planning on leaving for maternity leave on Friday June 16th. Given my due date is the 18th, I may be gone before then. Marcie Malszycki will be covering all of the health and human service related issues until I return in September.

Thanks,

**Jennifer Stegall**  
**Office of Senator Carol Roessler**  
**608-266-5300/1-888-736-8720**  
**Jennifer.Stegall@legis.state.wi.us**



Stegall,  
Jennifer.vcf (4 KB)



7/4

**From:** Stegall, Jennifer  
**Sent:** Tuesday, June 06, 2006 12:26 PM  
**To:** 'tony.langenohl@capitolconsultants.net'  
**Cc:** Malszycki, Marcie  
**Subject:** DHI

Hi Tony,

I called you to follow up on your question regarding the May 30th meeting we had with DHI and DHFS but you are out on vacation. Good for you! Hopefully you are out doing something fun!

I was able to talk to Senator Roessler yesterday regarding her plans with this issue and she said she will follow up with DHFS after the 4th of July to get an update. Depending on where things are at, she may or may not hold another meeting between the interested parties.

As a side note, I am planning on leaving for maternity leave on Friday June 16th. Given my due date is the 18th, I may be gone before then. Marcie Malszycki will be covering all of the health and human service related issues until I return in September.

Thanks,

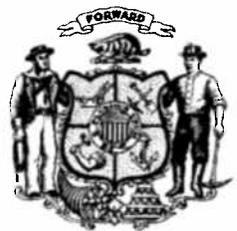
**Jennifer Stegall**  
**Office of Senator Carol Roessler**  
**608-266-5300/1-888-736-8720**  
**Jennifer.Stegall@legis.state.wi.us**



Stegall,  
Jennifer.vcf (4 KB)



# WISCONSIN STATE LEGISLATURE



## Malszycki, Marcie

---

**From:** Stegall, Jennifer  
**Sent:** Tuesday, June 06, 2006 11:46 AM  
**To:** Malszycki, Marcie  
**Subject:** Follow up with DHFS

I talked to CR yesterday and she said she would like to follow up with DHFS after the 4th of July weekend to find out how things are going with DHI (Digital Health Inc.). This is the group we met with last week who claims they can save millions of dollars in the MA program. There is a folder on this issue in my lower rt. hand desk drawer in a "CR Leg." hanging file.

I called Ron Hermes and left him a V.M. this morning to let him know CR would be following up after the 4th. I told him I was not sure at this point if that would mean a phone call from you to Ron or if CR would want something more formal like another meeting. I would say you could call Ron after the 4th for the update and CR can decide whether she wants to meet again based on the update info. you provide to her.

When we left the meeting on May 30th, DHI was planning to provide DHFS with technical information Mark Moody thought was needed to determine how much the "free" audit offered by DHI would cost. Even though DHI is offering the audit service for free initially, the DHFS would have to use resources to collect the data DHI would need to conduct the audit. In addition, DHFS would need to dedicate resources to analyze the information DHI would eventually provide in the audit. Mark Moody was planning to contact Arkansas...one of the states that has agreed to allow DHI to perform the audit. The Dept. would also need to consider how forcing providers to participate (like HMO's who contract with the state to provide services to BadgerCare) may impact those relationships and the rates the state pays them for services.

The audit offered by DHI would look at DHFS claims data to determine the number of circumstances where MA paid for services that could have been covered by an alternative provider. Mark Moody didn't think DHI would find too many of these cases because EDS, the company that currently contracts with the state to do this, has not come up with much.

You will want to know from Ron what the status is regarding talks with DHI. If he says that the Dept. has decided to not move forward with DHI, ask for details in terms of what was considered and what factors weighed most heavily on that decision.

Below are some of the other issues discussed at the meeting in May:

\*DHI is a new company.

\*On the information sheet in the DHI folder, DHI makes the following claim: "An audited study by the Company (DHI) projects that 15% or more of the claims paid by MA could be primary elsewhere. In the case of WI., that could be costing the state \$726 million a year." At the meeting, Mark Moody questioned how they arrived at these numbers. DHI replied by saying that they looked at 26 million claims. Mark asked where the claims were from. DHI said they signed with a major clearinghouse to provide the information, which was commercial and public claims data from at least 6 large states. This is important because when you read the DHI info. sheet it sounds like they have information specific to WI. when really they have looked at data from other states and are making the assumption that the same holds true in WI. On the contrary, WI. has been very proactive in this area and does contract with EDS to prevent claims from being paid by MA on the front end when there are other payers that should be held responsible for the cost of a service. They referred to this as "pay avoidance." Mark Moody made the following comment..."15% sounds high for state MA claims. It sounds preposterous."

\*Arkansas and Kansas are the only two states that have signed on with DHI to have the company perform the initial "free" audit.

\*Moody asked about what payers are participating with DHI. He was told Aetna and other regional payers. DHI doesn't have a lot of payers on board and are ready for pushback from insurers. Moody responded by pointing out that insurers can just refuse to participate. DHI came back with a HIPAA requirement that would make providers participate. It didn't sound like DHI had received much information from the Centers of Medicare and Medicaid Services (CMS) indicating they are strongly enforcing the HIPAA requirement. The DHI reps. said that some states have considered legislation to penalize insurance companies who aren't paying claims. These penalties are higher than the HIPAA penalties.

\*DHI has two ways to get claims information from providers...1. query every payer or 2. They can upload eligibility information to their servers (on a regular basis).

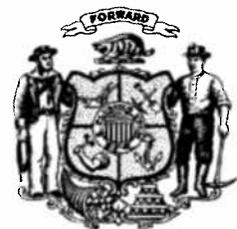
\*How does DHI get paid? Answer: By plan sponsors and providers. MA is free for the first cycle, after that, there is a nominal cost.

\*How long does the audit take? Ans: 90 days.

\*Of the whole MA budget, it looks like roughly \$750 million would be "in play." 70% of money is not in capitation...nursing home care, Long Term Care, community based waivers.



# WISCONSIN STATE LEGISLATURE





State of Wisconsin  
**Department of Health and Family Services**

Jim Doyle, Governor  
Helene Nelson, Secretary

For  
DHI  
folder

June 13, 2006  
For Immediate Release

Stephanie Marquis, Communications Director, (608) 266-1683

## **New Health Care Financing Director Named**

MADISON – Secretary Helene Nelson has named Kevin R. Hayden as the new Administrator of the Division of Health Care Financing. The appointment is effective July 31, 2006.

“Kevin brings excellent, proven leadership and strong experience to the Division,” said Secretary Nelson. “He has more than 22 years in health care administration, and his financial and public policy expertise will contribute greatly to our Medicaid program.”

Most recently, Mr. Hayden has been the President and Chief Administrative Officer for Dean Health Systems, Inc. He holds a Master in Programs in Health Management and a Bachelor of Arts in Political Science from the University of Wisconsin – Madison. He was appointed by Governor Doyle as chair of the Wisconsin Board on Health Care Information and a member of the Wisconsin eHealth Care Quality and Patient Safety Board.

“I look forward to working with Secretary Nelson and the Governor to continue to move the Medicaid program in a positive direction,” said Hayden. “I’m excited to work with the fine staff in the Department and feel my background will allow me to hit the ground running.”

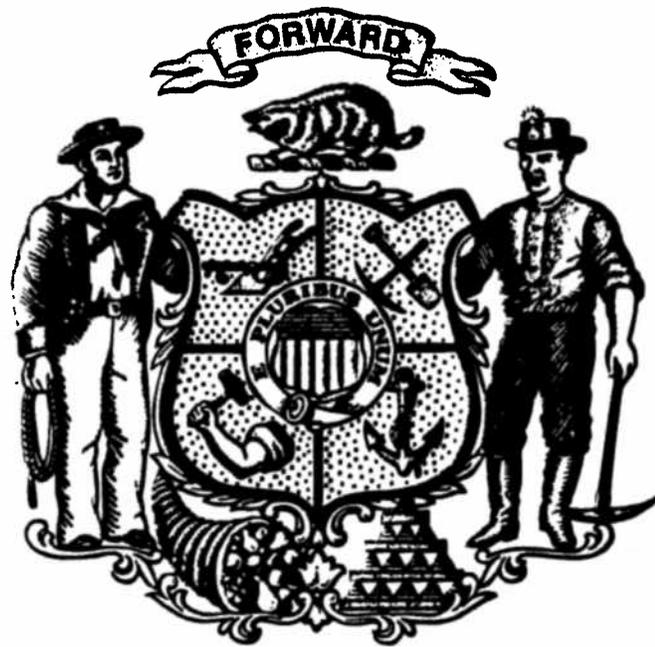
Hayden replaces Mark Moody, who has served as Administrator of the Division of Health Care Financing since 2003. Moody has accepted a senior executive position at WEA Trust.

“I am grateful to Mark Moody for his service to the thousands of Wisconsin residents who depend on the health care safety net and for his excellent management of the Medicaid program,” said Secretary Nelson.

- END -

**Wisconsin.gov**

1 West Wilson Street • Post Office Box 7850 • Madison, WI 53707-7850 • Telephone (608) 266-9622 • [www.dhfs.state.wi.us](http://www.dhfs.state.wi.us)



**Malszycki, Marcie**

**From:** Stegall, Jennifer  
**Sent:** Friday, June 16, 2006 3:03 PM  
**To:** Malszycki, Marcie  
**Subject:** A few things...

Tues. June 27

6/19  
KAS  
to  
A. mend  
B. lobb  
C. law  
R.C.

1. I put a file folder for CR 06-021 on your chair. The jacket is in with the rest of the jackets in my desk (lower left hand drawer when you are facing the keyboard). I tried to e-mail this rule to committee members and interest groups but my folio was not working for some reason. You will need to do this. Follow the instructions we talked about and I wrote up for you regarding rules. You could have committee members get back to you by Monday June 26th with any concerns. The 30 day review period ends on Sat. July 15th. You will want to report it out on Friday the 14th or a few days earlier if you know there are no concerns. After you report it out in July, put copies of the reports in the file folder and file it with the other rules (tall file drawer on your left when facing CR's office. It is the top right hand drawer when you are facing the filing cabinet). You will also put copies of the reports in the jacket and send it to the chief clerk's office.

2. You should follow up with the Gov.'s office on SB 732 if you don't hear anything from Katie Plona or Pat Henderson on Monday.

**NCSL Conference Denver**

3. Health Care information CR brought back from Denver: In the blue folder behind my desk, there is a file folder called, "Health Care." There is a power pt presentation in that file. Look it over...CR is interested in what some of the other states mentioned in the presentation are doing. You can look into those programs or delegate to an intern. They could work on this before the other intern research projects we talked about. You or they should get more detailed info. on the programs listed in the presentation...NCSL and ALEC are good resources for that type of information. Close attention should be paid to the state's role in those initiatives listed, i.e. how much state money is being contributed, who is benefiting and what have the results been (any cost savings? Has the program been around long enough to tell?). Once you or the intern has more info. on the other states, talk to leg council, fiscal bureau, dhfs about how the initiatives compare to certain things WI. may already be doing. Would it make sense to pursue any of what these other states are doing or have we addressed the issue already, a different way.

4. CR may ask about information relating to working families from the Denver conf. This is also in the blue folder on the table behind my desk...the folder is called, "Low Wage Working Families."

5. I put my notes from the hearing and the copies of testimony I had in folders on your chair.

Thanks for covering my stuff while I am out!! I am sure I will see you, neighbor!

Called  
Denver office  
left a message  
303-364-7700



**Malszycki, Marcie**

**From:** Asbjornson, Karen  
**Sent:** Monday, June 19, 2006 3:57 PM  
**To:** Malszycki, Marcie  
**Subject:** FW: Women In Government

CR email...I assume this is something you coordinated and if not will still share with CR. ☺

Karen Asbjornson  
Office of Senator Roessler  
1-888-736-8720/608-266-5300  
Karen.Asbjornson@legis.state.wi.us

---

**From:** Doug [mailto:doug.mcintosh@dhinc.biz]  
**Sent:** Monday, June 19, 2006 2:53 PM  
**To:** Sen.Roessler  
**Cc:** tony.langenohl@capitolconsultants.net; Jay Marshall; Richard Godoy  
**Subject:** Women In Government

Sen. Roessler, a quick note to thank you again for suggesting that we participate in the Women In Government meeting last week. My colleagues who were there were very pleased with the participants' response and encouraged by their thoughtful questions. I even had feedback from our Indiana lobbyist, who reported along the same lines.

So, a very big vote of thanks from Digital for your guidance!

I saw the announcement of Mark Moody's departure form Medicare and Kevin Hayden's replacing him. Hopefully this transition of authority won't slow us down appreciably. As I write this, word of our receiving Kansas' signed contract and letters of authority came through, so we will be sending eligibility queries for two states now, assuming another state on the brink of decision doesn't come through in the next couple of days.

With sincere thanks for your support.

Cordially,

Doug

**Doug McIntosh**  
Deputy Chief of Staff  
**Digital Healthcare, Inc.**  
*Enhanced Electronic Commerce*  
9800 Rockside Rd  
Suite 1000  
Cleveland, OH 44125  
Office: 250.520.1005  
Mobile: 440.478.0970 [doug.mcintosh@dhinc.biz](mailto:doug.mcintosh@dhinc.biz)

Please keep me posted on your progress both with WI & other states

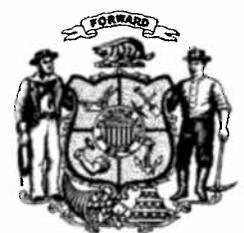
Although WI is would be a great contact for you! Thank you also for your corporate contributions to their organization.

6/20/2006

Thank you also for your corporate contributions to their organization.



# WISCONSIN STATE LEGISLATURE



**Malszycki, Marcie**

---

**From:** Doug [doug.mcintosh@dhinc.biz]  
**Sent:** Wednesday, June 21, 2006 10:15 AM  
**To:** Sen.Roessler  
**Cc:** tony.langenohl@capitolconsultants.net  
**Subject:** RE: Women in Government  
**Attachments:** AR Audit Letter 2006 05 31.pdf; KS Letter to DHI 2006 06 01.pdf

Sen. Roessler, I most certainly will keep you in the loop as we move along in Wisconsin and elsewhere. You might be interested in seeing the letters or authority from Arkansas and Kansas, attached.

I'm also organizing for us to participate in other W.I.G. events.

Cordially,

Doug

**Doug McIntosh**  
Deputy Chief of Staff  
**Digital Healthcare, Inc.**  
*Enhanced Electronic Commerce*  
9800 Rockside Rd  
Suite 1000  
Cleveland, OH 44125  
Office: 216.520.1005  
Mobile: 440.478.0970 [doug.mcintosh@dhinc.biz](mailto:doug.mcintosh@dhinc.biz)

---

**From:** Sen.Roessler [mailto:Sen.Roessler@legis.state.wi.us]  
**Sent:** Wednesday, June 21, 2006 10:43 AM  
**To:** doug.mcintosh@dhinc.biz  
**Subject:** Re: Women in Government

Dear Doug,

Please keep me posted on your progress both with Wisconsin and other states. I thought Women in Government would be a great contact for you. Thank you also for your corporate contribution to their organization!

Sincerely,

CAROL ROESSLER

--  
No virus found in this incoming message.  
Checked by AVG Free Edition.  
Version: 7.1.394 / Virus Database: 268.9.2/370 - Release Date: 6/20/2006

6/21/2006

--  
No virus found in this outgoing message.  
Checked by AVG Free Edition.  
Version: 7.1.394 / Virus Database: 268.9.2/370 - Release Date: 6/20/2006



9/27

**Malszycki, Marcie**

**From:** Schulze, Connie  
**Sent:** Tuesday, June 27, 2006 1:23 PM  
**To:** Malszycki, Marcie  
**Subject:** RE: Dates for a hearing

Marcie,

The September dates posed below look good for AD. Let me know what you decide.

Sincerely,  
Connie

**From:** Malszycki, Marcie  
**Sent:** Tuesday, June 27, 2006 8:22 AM  
**To:** Schulze, Connie  
**Cc:** Volz, David  
**Subject:** Dates for a hearing

Hi Connie,

I know this is a bit early, but I am wondering if Senator Darling is available on any of the dates below for a Select Committee hearing. They wanted to have this speaker, Laura Tobler, come and speak from NCSL. Her time is limited so I would like to set something up with her as soon as possible.

Thanks,

**Marcie Malszycki**  
Office of Senator Carol Roessler  
608-266-5300

CR  
Darling  
Luther yes  
Erp yes  
Miller yes  
Laura yes  
Dick yes

NCSL will pay for her to come

**From:** Laura Tobler [mailto:laura.tobler@ncsl.org]  
**Sent:** Friday, June 23, 2006 12:03 PM  
**To:** Malszycki, Marcie  
**Subject:** Re: Presentation on the Denver Conference, June 11-13th

Marcie,

Tell Allison to call on Monday for follow-up. The best days for me would be Sept. 19, 20, 21, 27, 28. Other days are open but I would need to reschedule a few things. I am tentatively holding the week of Sept. 11th for the Oregon Legislature's educational retreat but I'm sure it won't be the whole week - so that may open up. The week of Sept 4th is NCSL's Fiscal Analyst Seminar in San Diego - I will be there for most of the week.

26th - Colhair meeting  
↑  
RC

Laura

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

**From:** Malszycki, Marcie  
**To:** Laura Tobler  
**Sent:** Friday, June 23, 2006 10:53 AM

**Subject:** RE: Presentation on the Denver Conference, June 11-13th

No she does not. Do you want to send me dates that you would be available? We could work around the dates you still have open. Thanks for the presentation. Senator Roessler made a lot of notes on hers so I wanted a clean copy.

Our intern also tried contacting you. She is trying to find more detailed information on the state plans you discuss in your presentation. Is it okay if I have her call you Monday?

Thank you!

Sincerely,

**Marcie Malszycki**  
**Office of Senator Carol Roessler**  
**608-266-5300**

---

**From:** Laura Tobler [mailto:laura.tobler@ncsl.org]  
**Sent:** Friday, June 23, 2006 11:44 AM  
**To:** Malszycki, Marcie  
**Subject:** Re: Presentation on the Denver Conference, June 11-13th

Marcie,

Here is the presentation that I did last Tuesday in Denver. She can send it to anyone that she wishes. I would be happy to come and testify to her committee in September but the calendar is filling up fast. Does she have a date set yet?

Laura Tobler  
Program Director  
Health Program  
National Conference of State Legislatures  
303-856-1545

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

**From:** Malszycki, Marcie  
**To:** [laura.tobler@ncsl.org](mailto:laura.tobler@ncsl.org)  
**Sent:** Thursday, June 22, 2006 3:25 PM  
**Subject:** Re: Presentation on the Denver Conference, June 11-13th

Dear Ms. Tobler,

Senator Roessler attended the recent NCSL conference in Denver. She asked that I email you and see if you could forward a copy of your power point presentation entitled: Providing Access to Health Care to the Uninsured: State Activities. She would like to share your presentation with others here at the WI Legislature.

Also, Senator Roessler is Co-Chairwoman of the Senate Select Committee on Health Care Reform. They will be holding a hearing here in Madison, Wisconsin in September. They would like at that time to hear testimony from others regarding issues with health care and small businesses. Senator Roessler thought that you would be a great speaker to talk about what is occurring in other states. Would you have any interest in testifying? If you are interested, I could provide you with more details as she gives them to me.

Thank you for your assistance and consideration for the hearing.

Sincerely

**Marcie Malszycki**

**Office of Senator Carol Roessler**

**608-266-5300**



## **Malszycki, Marcie**

---

**From:** Malszycki, Marcie  
**Sent:** Friday, June 30, 2006 10:23 AM  
**To:** 'Laura Tobler'  
**Subject:** Re: September Senate Select Committee Hearing

Dear Laura,

September 27<sup>th</sup> will work for all the members of the Senate Select Committee. No official notice will likely be sent out until late August or early September. I will schedule the hearing to start at 10:00 a.m., here at the State Capitol.

Please let me know if there is any other information that you need at this time. Otherwise I will keep you apprised of any details as they come.

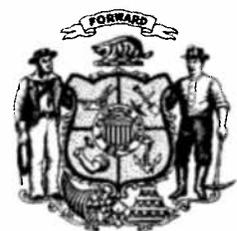
I know you have also been working with the intern from our office. Some of the information that you are sharing with her may be the focus of our hearing. I will let you know the Senator's interest.

Thank you so much and we look forward to hearing from you on September 27<sup>th</sup>.

**Marcie Malszycki**  
**Office of Senator Carol Roessler**  
**608-266-5300**



# WISCONSIN STATE LEGISLATURE



**Malszycki, Marcie**

---

**From:** Laura Tobler [laura.tobler@ncsl.org]  
**Sent:** Wednesday, July 05, 2006 11:46 AM  
**To:** Malszycki, Marcie  
**Subject:** Re: September Senate Select Committee Hearing

Hi Marcie,

Thank you for securing the hearing date this early. It really does help me with planning and travel. I am looking forward to helping the committee with their charge. Please contact me at your convenience to discuss the details.

Laura Tobler  
Program Director  
Health Program  
National Conference of State Legislatures  
303-856-1545

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

**From:** Malszycki, Marcie  
**To:** Laura Tobler  
**Sent:** Friday, June 30, 2006 9:22 AM  
**Subject:** Re: September Senate Select Committee Hearing

Dear Laura,

September 27<sup>th</sup> will work for all the members of the Senate Select Committee. No official notice will likely be sent out until late August or early September. I will schedule the hearing to start at 10:00 a.m., here at the State Capitol.

Please let me know if there is any other information that you need at this time. Otherwise I will keep you apprised of any details as they come.

I know you have also been working with the intern from our office. Some of the information that you are sharing with her may be the focus of our hearing. I will let you know the Senator's interest.

Thank you so much and we look forward to hearing from you on September 27<sup>th</sup>.

**Marcie Malszycki**

Office of Senator Carol Roessler

608-266-5300



**Malszycki, Marcie**

**From:** Wagner, Mike  
**Sent:** Thursday, July 13, 2006 10:52 AM  
**To:** Malszycki, Marcie  
**Subject:** Phone Call

Tony Langenohl  
258-8411

→ call Ron Hermes

RE: Digital Healthcare

**Mike Wagner**  
**Office of Sen. Carol Roessler**  
**608-266-5300**

F/U: Has CR heard from DHFS  
to do an audit.

waiting to see  
what happens in other  
two states.  
- New Mark Moody  
position hasn't  
started

Michael  
~~Herris~~ yes

SLAH 24  
Pells

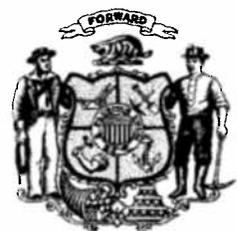
Sept. 21

4:00 ~~Sheldon~~ Nature Preserve  
Oakwood

Oris Keller  
232-5707



# WISCONSIN STATE LEGISLATURE



**Malszycki, Marcie**

---

**From:** Sweet, Richard  
**Sent:** Tuesday, July 18, 2006 2:12 PM  
**To:** Volz, David; Malszycki, Marcie; Rose, Laura  
**Subject:** FW: New Jersey law

Enclosed is a response I received from Laura Tobler of NCSL regarding the New Jersey law that allows parents to include their kids up to age 30 on their group insurance plan. It's only been in effect for a couple of months.

Dick

---

**From:** Laura Tobler [mailto:laura.tobler@ncsl.org]  
**Sent:** Tuesday, July 18, 2006 11:36 AM  
**To:** Sweet, Richard  
**Subject:** Re: New Jersey law

Dick,

The NJ law went into effect on May 12, 2006. The state does not collect enrollment data for the large group market so they don't know how many residents have taken advantage of the law. Informally, the women that I spoke with at the Dept of Banking and Insurance reports a couple of thousand people added to parent's policies. She also reports that the rate filings for this group are about 65 to 75% lower than individual policies or COBRA. The employer is obligated to inform the employee that their dependents up to age 30 can be added to group policies. The law excludes the individual market plans. Here is the info that we have on our web page. The sponsor of the bill was Neil Cohen, who can be reached at 908-624-0880. The women at the Dept of Banking and Insurance is Ellen DeRosa 609-633-1882 x50302.

A.B. 3759 - states that, at the option of the insured person, a dependent may be covered up to the age of 30, as long as they have no dependents of their own. The insurance provider may charge a higher rate for this coverage, but the increase is not to exceed 3 percent of the premiums. **Passed.** Read statement. (Public Act 2005 c.375)

Let me know if you need additional information.

Laura Tobler  
Program Director  
Health Program  
National Conference of State Legislatures  
303-856-1545

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

**From:** Sweet, Richard  
**To:** laura.tobler@ncsl.org  
**Sent:** Monday, July 17, 2006 2:14 PM  
**Subject:** New Jersey law

7/19/2006

Laura,

I have a copy of a PowerPoint that you presented on June 13, 2006, entitled Providing Access to Health Care to the Uninsured: State Activities. One of the pages deals with expanding the definition of dependent. A legislator here was interested in the New Jersey approach of going up to age 30. Do you have a citation on that law, any other information about it, and/or a contact person in New Jersey?

Thanks for your help.

*Dick Sweet*

Richard Sweet  
Senior Staff Attorney  
Wisconsin Legislative Council  
(608)266-2982  
richard.sweet@legis.state.wi.us