



## Fiscal Estimate Narratives

OCI 2/8/2007

LRB Number	07-0660/1	Introduction Number	AB-0016	Estimate Type	Original
<b>Description</b> Requiring health insurance policies to cover orphan drugs and granting rule-making authority					

### Assumptions Used in Arriving at Fiscal Estimate

The Office of Commissioner of Insurance (OCI) reviews policy forms to ensure compliance with Wisconsin's laws and regulations, and responds to complaints. Ensuring that insurers comply with the requirements of this bill will be fulfilled as part of the standard activities of the office. Additionally, the bill requires OCI to promulgate a rule that specifically details which orphan drugs are to be covered under the mandate. It is anticipated that this rule will require updating periodically as necessary. This rulemaking will involve an additional cost to OCI that can be absorbed within the Agency's existing budget.

In accordance with s. 601.423, Wis Stats., OCI will prepare the mandated study on the fiscal and social impacts of new mandated insurance benefits.

The fiscal effect on local Governments is indeterminate. Requiring health insurance policies to cover orphan drugs as a part of their prescription drug coverage is not currently a mandated coverage in Wisconsin health insurance plans. OCI does not collect data that identifies how many local governments have prescription drug coverage in their health benefit plans. A calculation of the fiscal impact is not possible.

### Long-Range Fiscal Implications