

Fiscal Estimate - 2007 Session

Original Updated Corrected Supplemental

LRB Number 07-1547/1		Introduction Number SB-183	
Description Percentages of group health insurance plan costs paid by employers of Badger Care health care program recipients and requiring a report			
Fiscal Effect			
State:			
<input type="checkbox"/> No State Fiscal Effect			
<input type="checkbox"/> Indeterminate			
<input type="checkbox"/> Increase Existing Appropriations		<input type="checkbox"/> Increase Existing Revenues	
<input type="checkbox"/> Decrease Existing Appropriations		<input type="checkbox"/> Decrease Existing Revenues	
<input type="checkbox"/> Create New Appropriations		<input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget	
		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
		<input type="checkbox"/> Decrease Costs	
Local:			
<input type="checkbox"/> No Local Government Costs			
<input type="checkbox"/> Indeterminate			
1. <input type="checkbox"/> Increase Existing		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		Affected Ch. 20 Appropriations	
<input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS			
Agency/Prepared By	Authorized Signature	Date	
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Fiscal Estimate Narratives

DHFS 7/2/2007

LRB Number 07-1547/1	Introduction Number SB-183	Estimate Type Original
Description Percentages of group health insurance plan costs paid by employers of Badger Care health care program recipients and requiring a report		

Assumptions Used in Arriving at Fiscal Estimate

This bill would require the Department, beginning in calendar 2008, to annually determine for each BadgerCare recipient who has access to employer sponsored health insurance for which the employer pays less than 80% of the costs, the actual percentage of the insurance plan costs paid. An annual report to the Legislature would be required on these determinations.

The Department does not currently collect this information. However, the Department, is planning to develop a database of employer health insurance for BadgerCare recipients. The Department has recently issued a Request for Proposals (RFP) for building this database. This database is intended to streamline insurance verification for BadgerCare recipients, but will also have the data to produce the determinations and report required under this bill. Once this database is developed, the costs will be minimal to meet the requirements of this bill.

If something developed that prevented completion of the insurance database, or if its development was delayed, then there would be a significant cost to produce the report under this bill. If the insurance database was not available, DHFS would have to modify its current system and would have to obtain the information from the employers. It will also be a burden on employers, because DHFS would have to collect more specific information from them. A preliminary estimate of this cost is \$300,000 GPR on a one-time basis.

Long-Range Fiscal Implications