

**2007 DRAFTING REQUEST**

**Bill**

Received: **01/17/2007**

Received By: **dkennedy**

Wanted: **As time permits**

Identical to LRB:

For: **Administration-Budget 7-9546**

By/Representing: **Jablonsky**

This file may be shown to any legislator: **NO**

Drafter: **dkennedy**

May Contact:

Addl. Drafters:

Subject: **Health - AIDS**

Extra Copies:

Submit via email: **YES**

Requester's email:

Carbon copy (CC:) to: **robin.ryan@legis.wisconsin.gov**

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**Pre Topic:**

DOA:.....Jablonsky, BB0364 -

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**Topic:**

AIDS insurance premium subsidy program to pay for Medicare Part D premiums

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**Instructions:**

See Attached

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**Drafting History:**

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	dkennedy 01/19/2007	kfollett 01/19/2007		_____			State
/1			jfrantze 01/22/2007	_____	sbasford 01/22/2007		

FE Sent For:

<END>

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/?	dkennedy	1/16/07 1/19/07	<i>[Signature]</i>	<i>[Signature]</i> 1/22/07			

FE Sent For:

<END>

## 2007-09 Budget Bill Statutory Language Drafting Request

- Topic: AIDS Part D
- Tracking Code: BB0364
- SBO team: Health/Ins
- SBO analyst: Sue Jablonsky
  - Phone: 7-9546
  - Email: sue.jablonsky@wisconsin.gov
- Agency acronym: DHFS
- Agency number: 435
- High

I need language to allow the AIDS insurance premium subsidy program to pay for Medicare part D premiums. See attached (sorry this is so late-I just ran across it and found I had no draft back).

## HIV-Payment of Medicare Part D Premiums

### Current Language

42 13 95 w - 28

s.252.16 (4)

### Proposed Change

Amend s. 252.16 (4) to allow for payment of Medicare Part D premiums.

### Effect of the Change

This statutory change will allow approximately 100 Medicare beneficiaries who are currently receiving AIDS medications within the Insurance Premium Subsidy Program and the AIDS Drug Assistance Program (ADAP) to continue to do so.

### Rationale for the Change

Currently the AIDS/HIV Health Insurance Premium Subsidy Program, funded by GPR and the federal Ryan White program, pays insurance premiums for approximately 100 clients who are also Medicare beneficiaries. These premiums typically pay for Medigap policies that cover the cost of medications and other health services.

*P.L. 108-173, Medicare  
Prescription Drug, Improvement,  
and Modernization Act  
8  
2003*

With the passage of the Medicare Modernization Act of 2003, Congress created the first Medicare prescription drug benefit, called Part D, which took effect January 1, 2006. The federal Health Resource and Services Administration (HRSA) has indicated that individuals receiving medications through programs supported by Ryan White funds, who are also Medicare beneficiaries, must enroll in Part D. Further, HRSA has stated that federal Ryan White AIDS Drug Assistance Program (ADAP) funds may be used to pay Part D premiums.

Currently the Wisconsin AIDS/HIV Health Insurance Premium Subsidy Program (s.252.16) allows the Department to make payments for health insurance premiums for eligible individuals. The statutes (s.252.16 (4)(a)) specifically prohibit payment of Medicare premiums, however.

In order to use federal Ryan White ADAP funds to make payments for Part D premiums for eligible individuals through the Insurance Premium Subsidy Program, the statute must be amended to allow for payment of Part D premiums.

The annual cost of this proposal is estimated to be approximately \$45,000 FED a year. Paying Medicare Part D premiums will save lives by maintaining access to HIV medications and save on health care expenditures, in the long term, by maintaining access to vital health care services. This proposal will benefit low income individuals living with HIV and will have a modest short-term fiscal impact on the Insurance Premium Subsidy Program.

**Desired Effective Date:** Upon passage of biennial budget  
**Agency:** DHFS  
**Agency Contact:** Ellen Hadidian  
**Phone:** 266-8155

1/17/07 Conversation with Sue Jablonsky:

s. 252.16(4) (a) prohibits payments for premiums for medicare

252.16(1)(d) defines "medicare" as having meaning in s. 49.498(1)(f).

49.498(1)(f) defines "medicare" as Part A or B

↓  
it says nothing about Part D

Do they need any change to the statutes at all? Statutes seem to permit payment under Part D.

1/19/07 From Sue Jablonsky

DHFS is afraid the def. in 49.498(1)(f) will change, to include Part D & thus exclude Part B under 252.16(4)(a); they want explicit language



State of Wisconsin  
2007 - 2008 LEGISLATURE

LRB-1549/3  
DAK: *kgf*

DOA:.....Jablonsky, BB0364 - AIDS insurance premium subsidy program to pay for Medicare Part D premiums

FOR 2007-09 BUDGET -- NOT READY FOR INTRODUCTION

*Don + Gen*

1 AN ACT ...; relating to: the budget.

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*Analysis by the Legislative Reference Bureau*

**HEALTH AND HUMAN SERVICES**

**HEALTH**

Currently, DHFS subsidizes the premium costs for health insurance coverage, except for premiums for the federal Medicare program (Medicare), of low-income persons who have HIV infections and are unable to continue employment or must reduce employment hours because of illnesses or medical conditions arising from the HIV infections. Medicare has programs of coverage for hospital care, physicians' services, and prescription drugs.

This bill changes the restriction on subsidization by DHFS of Medicare premiums to allow subsidization for premiums for Medicare prescription drug coverage, for low-income persons with HIV infections, no or reduced employment, and HIV-related illnesses or medical conditions.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

---

***The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:***

1 SECTION 1. 252.16 (1) (d) of the statutes is amended to read:

2 252.16 (1) (d) "Medicare" has the meaning given in s. 49.498 (1) (f) means  
3 coverage under part A, part B, or part D of Title XVIII of the federal social security  
4 act, 42 USC 1395 to 1395hhh.

History: 1989 a. 336; 1991 a. 269; 1993 a. 16 ss. 2587, 2588; 1993 a. 27 ss. 386 to 389; Stats. 1993 s. 252.16; 1993 a. 491; 1995 a. 27; 1997 a. 27; 2001 a. 38; 2005 a. 187.

5 SECTION 2. 252.16 (4) (a) of the statutes is amended to read:

6 252.16 (4) (a) Except as provided in pars. (b) and (d), if an individual satisfies  
7 sub. (3), the department shall pay the full amount of each premium payment for the  
8 individual's health insurance coverage under the group health plan or individual  
9 health policy under sub. (3) (dm), on or after the date on which the individual  
10 becomes eligible for a subsidy under sub. (3). Except as provided in pars. (b) and (d),  
11 the department shall pay the full amount of each premium payment regardless of  
12 whether the individual's health insurance coverage under sub. (3) (dm) includes  
13 coverage of the individual's dependents. Except as provided in par. (b), the  
14 department shall terminate the payments under this section when the individual's  
15 health insurance coverage ceases or when the individual no longer satisfies sub. (3),  
16 whichever occurs first. The department may not make payments under this section  
17 for premiums for medicare, except for premiums for coverage for Part D of Title XVIII  
18 of the federal social security act, 42 USC 1395 to 1395hhh.

History: 1989 a. 336; 1991 a. 269; 1993 a. 16 ss. 2587, 2588; 1993 a. 27 ss. 386 to 389; Stats. 1993 s. 252.16; 1993 a. 491; 1995 a. 27; 1997 a. 27; 2001 a. 38; 2005 a. 187.

19 (END)



State of Wisconsin  
2007 - 2008 LEGISLATURE

LRB-1549/1  
DAK:kjf:jf

DOA:.....Jablonsky, BB0364 - AIDS insurance premium subsidy program to pay for Medicare Part D premiums

FOR 2007-09 BUDGET -- NOT READY FOR INTRODUCTION

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(END)