

Fiscal Estimate - 2015 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 15s0060/2	Introduction Number ASA1-AB140
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Description
 Plan for implementing a statement of public benefits

Fiscal Effect

State:

<input type="checkbox"/> No State Fiscal Effect	<input type="checkbox"/> Increase Existing Revenues	<input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<input type="checkbox"/> Indeterminate	<input type="checkbox"/> Decrease Existing Revenues	
<input type="checkbox"/> Increase Existing Appropriations		<input type="checkbox"/> Decrease Costs
<input type="checkbox"/> Decrease Existing Appropriations		
<input type="checkbox"/> Create New Appropriations		

Local:

<input type="checkbox"/> No Local Government Costs		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
<input type="checkbox"/> Indeterminate		
1. <input type="checkbox"/> Increase Costs	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	

Fund Sources Affected	Affected Ch. 20 Appropriations
<input checked="" type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS 20.435(4)(bm)	

Agency/Prepared By	Authorized Signature	Date
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Fiscal Estimate Narratives

DHS 1/20/2016

LRB Number	15s0060/2	Introduction Number	ASA1-AB140	Estimate Type	Supplemental
Description Plan for implementing a statement of public benefits					

Assumptions Used in Arriving at Fiscal Estimate

2015 AB 140 would require the Department of Administration (DOA), in collaboration with the Department of Health Services (DHS), Department of Children and Families (DCF), and Department of Workforce Development (DWD) to develop a system for providing every individual or family who receives public assistance benefits (as defined under Chapter 49) or unemployment insurance benefits with an annual statement of benefits. DHS program benefits that would be included in the annual statements include: FoodShare (FS), the FoodShare Employment and Training Program (FSET), Medicaid (MA), SeniorCare, SSI Supplement, SSI Caretaker Supplement (CTS), Wisconsin Cemetery and Funeral Aids Program (WFCAP), Wisconsin Family Planning Waiver, and Wisconsin Chronic Disease Program (WCDP).

Substitute amendment ASA1-AB140 proposes nonstatutory provisions that would require DOA, in collaboration with DHS, DCF, and DWD, to first prepare a comprehensive plan for the development, implementation, and administration of a system to provide recipients with an annual statement of benefits. The comprehensive plan must: (1) detail the costs of implementing and administering the system; (2) detail an implementation timeline, and (3) identify which public assistance benefits can be feasibly included in the system based on legal and technical restraints.

For DHS, participating in the development of this comprehensive plan would involve significant administrative resources, driven by the complexities of existing eligibility and fiscal systems, technical challenges associated with the interdepartmental data sharing, the need to solicit input on costs from multiple vendors, and the need to ensure that the plan complies with federal privacy laws and other privacy policies. During the plan development process, DHS would need to solicit information on possible technical solutions and associated implementation costs from multiple vendors, including the Medicaid fiscal agent, the contractor responsible for CARES eligibility system development, and the FoodShare electronic benefit transfer (EBT) card vendor. Plan development would also require additional State staff resources for project management.

The Department estimates that combined costs for increased contractor fees and State project management staff would be \$200,000 GPR during the six month comprehensive plan development period. This estimate assumes no Federal matching funds for the Medicaid or FoodShare portions of plan development. Federal FoodShare regulations do not require an annual statement of benefits, so it is unlikely that the State could receive the standard 50% match on administrative costs for developing this comprehensive plan. It is also unclear that the Medicaid portion of costs would qualify for the 50% administrative Federal Medical Assistance Percentage (FMAP). Title XIX of the Social Security Act, section 1903 provides the Centers on Medicare and Medicaid Services (CMS) discretion to determine whether discretionary administrative costs are necessary for the proper and efficient administration of the Medicaid program. Since the Department has not received CMS approval for this initiative, this estimate assumes that the State will be responsible for the full scope of planning.

Long-Range Fiscal Implications