## Fiscal Estimate - 2017 Session

☑ Original ☐ Updated	Corrected	Supplemental				
LRB Number 17-5154/1	Introduction Num	ber <b>AB-0885</b>				
Description Wisconsin Healthcare Stability Plan, reinsurance of health carriers, reallocating savings from health insurer fee, providing an exemption from emergency rule procedures, granting rule-making authority, and making appropriations						
Fiscal Effect						
Appropriations Reve	rease Existing to abenues	ease Costs - May be possible isorb within agency's budget Yes No ease Costs				
Permissive Mandatory Perm  2. Decrease Costs 4. Decr Permissive Mandatory Perm	ease Revenue  Affect  Mandatory  Ease Revenue  Dissive Mandatory  Coverage  Affect  Affect  Coverage	owns Village Cities ounties Others chool WTCS istricts Districts				
Fund Sources Affected Affected Ch. 20 Appropriations  GPR PRO PRO SEG SEGS						
Agency/Prepared By	Authorized Signature	Date				
OCI/ Jeff Grothman (608) 264-6239	J.P. Wieske (608) 266-2493 2/9/20					

## Fiscal Estimate Narratives OCI 2/9/2018

LRB Number	17-5154/1	Introduction Number	AB-0885	Estimate Type	Original
Description					
Wisconsin Healthcare Stability Plan, reinsurance of health carriers, reallocating savings from health					
insurer fee, providing an exemption from emergency rule procedures, granting rule-making authority, and					
making appropriations					

## Assumptions Used in Arriving at Fiscal Estimate

This bill creates a \$200 million reinsurance program to increase stability in the individual market and to lower premiums. Based on initial review, the state will be required to fund roughly twenty-five (25) percent of the program and the federal government will fund pass through dollars supporting the remaining seventy-five (75) percent of the cost. Federal funding will come from reductions in the amount of subsidy the federal government pays for insurance. State funding would come from estimated savings in the state Medical Assistance program. Therefore, initially, there will be no general fund impact for the program. If implemented, the program can be evaluated in future years to determine if it should continue and/or if additional 1332 waivers are to be pursued.

The operational expenses of the program will include contracting for actuarial expertise to determine costs year to year and will be absorbed by the agency.

At this time, any costs to OCI relating to this bill are indeterminate.

Long-Range Fiscal Implications