

Fiscal Estimate - 2019 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 19-6089/1	Introduction Number AB-1038
Description state government response to the COVID-19 pandemic	
Fiscal Effect	
State: <input type="checkbox"/> No State Fiscal Effect <input checked="" type="checkbox"/> Indeterminate <div style="display: flex; justify-content: space-between;"> <div style="width: 30%;"> <input type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Create New Appropriations </div> <div style="width: 30%;"> <input type="checkbox"/> Increase Existing Revenues <input type="checkbox"/> Decrease Existing Revenues </div> <div style="width: 30%;"> <input type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <div style="display: flex; justify-content: space-around; font-size: small;"> <input type="checkbox"/> Yes <input type="checkbox"/> No </div> <input type="checkbox"/> Decrease Costs </div> </div>	
Local: <input type="checkbox"/> No Local Government Costs <input checked="" type="checkbox"/> Indeterminate <div style="display: flex; justify-content: space-between;"> <div style="width: 30%;"> 1. <input type="checkbox"/> Increase Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 2. <input type="checkbox"/> Decrease Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory </div> <div style="width: 30%;"> 3. <input type="checkbox"/> Increase Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 4. <input type="checkbox"/> Decrease Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory </div> <div style="width: 30%;"> 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 </div> </div>	
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	
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Date 4/20/2020	

Fiscal Estimate Narratives

ETF 4/20/2020

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Description state government response to the COVID-19 pandemic					

Assumptions Used in Arriving at Fiscal Estimate

Generally, the bill allows a WRS annuitant who is hired for a critical position during the public health emergency that started on March 12, 2020 to return to work more than 2/3rds of full-time and elect to not suspend their annuity for the duration of the public health emergency. The bill reduces the break-in-service requirement from 75 days to 15 days during the emergency for these positions.

Administrative costs for the Department of Employee Trust Funds may be incurred related to information technology system changes, staff training, employer training, transaction processing and the revision of publications. The Department should be able to absorb these costs.

The Department is not able to determine the fiscal impact of the bill on local governments.

The bill also includes the following provisions related to health insurance coverage under the Group Health Insurance Program (GHIP):

- Provides that an employee who returns from a leave of absence and who has not resumed active duty for at least 30 consecutive calendar days on the effective date of a state of emergency related to a public health emergency is deemed to have ended or interrupted the leave of absence on that date.
- Requires GHIP to provide coverage of testing of COVID-19 without imposing any copayment or coinsurance before March 13, 2021.
- Prohibits GHIP from requiring prior authorization for early refills of a prescription drug or otherwise restricting the period of time in which a prescription drug may be refilled and from imposing a limit on the quantity of prescription drugs that may be obtained if the quantity is no more than a 90-day supply. These prohibitions do not apply if the prescription drug is a controlled substance.
- Prohibits the GHIP from doing any of the following based on a current or past diagnosis or suspected diagnosis of COVID-19: establishing rules for the eligibility of any individual, employer, or group to enroll or remain enrolled in a plan or for the renewal of coverage under the plan; cancelling coverage during a contract term; setting rates for coverage; or refusing to grant a grace period for payment of a premium that would generally be granted.
- Prohibits a defined network plan or preferred provider plan from requiring an enrollee of the plan to pay more for a service, treatment, or supply provided by an out-of-network provider than if the service, treatment, or supply is provided by a provider that is participating in the plan's network. This prohibition applies to any service, treatment, or supply that is related to diagnosis or treatment for the condition for which the public health emergency is declared and that is provided by a provider that is not a participating provider because a participating provider is unavailable due to the public health emergency.

The GHIP is a fully insured group health plan. Some of these provisions are already required by federal law. The fiscal effect of these mandates is expected to be minimal. The State's pharmacy benefit program is self-insured. There may be increased costs related to extended refills of prescription specialty medication.

Long-Range Fiscal Implications