

Fiscal Estimate - 2021 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 21-5510/1	Introduction Number AB-1118
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Description
 BadgerCare purchase option, basic plan, state-based insurance exchange, and granting rule-making authority

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"/> Indeterminate	<input type="checkbox"/> Decrease Existing Revenues	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<input type="checkbox"/> Increase Existing Appropriations		<input type="checkbox"/> Decrease Costs
<input type="checkbox"/> Decrease Existing Appropriations		
<input checked="" type="checkbox"/> Create New Appropriations		

Local:

<input type="checkbox"/> No Local Government Costs	5. Types of Local Government Units Affected	
<input type="checkbox"/> Indeterminate	<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	
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 checked="" type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS	

Agency/Prepared By OCI/ Jeff Grothman (608) 264-6239	Authorized Signature Sarah Smith (608) 267-9460	Date 3/14/2022
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Fiscal Estimate Narratives

OCI 3/14/2022

LRB Number	21-5510/1	Introduction Number	AB-1118	Estimate Type	Original
Description BadgerCare purchase option, basic plan, state-based insurance exchange, and granting rule-making authority					

Assumptions Used in Arriving at Fiscal Estimate

This bill directs the Office of the Commissioner of Insurance (OCI) to establish and operate a state-based health insurance exchange, which must also include access to the ability to enroll in the purchase option for BadgerCare. Under current law, the Affordable Care Act (ACA) requires that an exchange be established in each state to facilitate the purchase of qualified health insurance coverage by individuals and small employers. Under the ACA, a state must operate its own state-based exchange, use the federally facilitated exchange operated by the U.S. Department of Health and Human Services, or adopt a hybrid approach under which the state operates a state-based exchange but uses the federal platform, known as HealthCare.gov, to handle eligibility and enrollment functions. The State of Wisconsin currently uses the federally facilitated exchange.

This bill authorizes OCI to enter into any agreement with the federal government necessary to implement the state-based exchange provisions.

Governor Tony Evers recommended in his proposed 2021-2023 state budget that OCI transition to a state-based exchange using the federal Healthcare.gov platform before ultimately developing our own state-based platform. In Governor Evers' budget, OCI estimated that 10 additional FTE employees were necessary to initiate that first phase toward a state-based health exchange. The cost of the program as proposed was \$4,052,300 per year.

Long-Range Fiscal Implications