## Fiscal Estimate - 2021 Session

☐ Updated	Corrected Sup	plemental		
LRB Number 21-4388/1	Introduction Number AB-0	0559		
Description eliminating cost sharing for prescription drugs ur	nder the Medical Assistance program			
Fiscal Effect				
Appropriations Reve	ease Existing enues  ease Existing enues  Decrease Costs - May absorb within agency Pres Decrease Costs			
Permissive Mandatory Perm 2. Decrease Costs 4. Decr	nissive   Mandatory	nment age Cities ners CS tricts		
Fund Sources Affected  Affected Ch. 20 Appropriations  GPR FED PRO PRS SEG SEGS s. 20.435 4(b) and 4(o)				
Agency/Prepared By	Authorized Signature	Date		
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## Fiscal Estimate Narratives DHS 9/17/2021

LRB Number 21-4388/1	Introduction Number	AB-0559	Estimate Type	Original	
Description					
eliminating cost sharing for prescription drugs under the Medical Assistance program					

## Assumptions Used in Arriving at Fiscal Estimate

Under current law, certain Wisconsin Medicaid participants are charged copayments for some services, including prescription drugs. Federal law requires Medicaid copayments to be "nominal." Certain Medicaid participants, such as children and nursing home residents, are not charged copayments. For prescription drugs, the current copayment for non-exempt Medicaid participants is \$1 for generic drugs and \$3 for brandname drugs. These copayments are capped at \$12 per month. Prescription drugs are reimbursed on a fee-forservice basis, including for individuals enrolled in a Medicaid managed care program.

Copayments for prescription drugs are collected by providers. Providers may not deny care to a Medicaid participant due to a recipient's inability to pay a copay. The copayment amount is subtracted from the provider's reimbursement even when the provider does not collect the copayment.

This bill eliminates prescription drug copayments for Wisconsin Medicaid participants, increasing costs for the Medicaid program. It is projected that eliminating Medicaid copayments for prescription drugs would cost \$6.0 million all funds (\$2.4 million GPR) annually.

Long-Range Fiscal Implications