

Fiscal Estimate - 2021 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 21-1990/1	Introduction Number SB-133	
Description Medical Assistance coverage of COVID-19 testing and vaccine administration by pharmacies		
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 checked="" 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 checked="" type="checkbox"/> Yes <input type="checkbox"/> No </div> <input type="checkbox"/> Decrease Costs </div> </div>		
Local: <input type="checkbox"/> No Local Government Costs <input 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 checked="" type="checkbox"/> GPR <input checked="" type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS 20.435(4)(b) and (4)(o)		
Agency/Prepared By DHS/ Angela Waltz (608) 266-5362	Authorized Signature Andy Forsaith (608) 266-7684	Date 3/5/2021

Fiscal Estimate Narratives

DHS 3/5/2021

LRB Number	21-1990/1	Introduction Number	SB-133	Estimate Type	Original
Description Medical Assistance coverage of COVID-19 testing and vaccine administration by pharmacies					

Assumptions Used in Arriving at Fiscal Estimate

This bill requires the Department of Health Services to ensure Medicaid coverage and reimbursement of COVID-19 testing and SARS-CoV-2 vaccine administration by pharmacies.

The Wisconsin Medicaid program currently reimburses providers, including pharmacies, for administering federally approved COVID-19 vaccines. In addition, the Department plans to seek a Medicaid state plan amendment to increase the rate paid for administration of the SARS-CoV-2 vaccine to match the rate paid by Medicare. The Department issued a public notice of its intent to submit a SPA for this purpose to the Centers for Medicare and Medicaid Services (CMS). Pharmacies are included as a provider group that will qualify for enhanced reimbursement under this amendment.

Under the state plan amendment, for a single-dose vaccine schedule, Medicaid will provide reimbursement of \$28.39. For a multiple dose vaccine schedule, Medicaid will provide reimbursement of \$16.94 for the initial dose(s) and \$28.39 for the final dose. Vaccines administered by skilled nursing facilities may be separately reimbursed outside of the regular nursing home per diem rate.

It is currently projected that vaccine distribution will increase annual Medicaid reimbursements for all provider types administering the vaccine by \$50 million AF (\$20.3 million GPR). The specific cost of providing Medicaid reimbursement to pharmacies under this provision is indeterminate.

The Wisconsin Medicaid program does not currently provide reimbursement to pharmacies for COVID-19 testing. The fiscal effect of the provision requiring Medicaid reimbursement to pharmacies for testing is indeterminate because it is not possible to estimate how many pharmacies would seek reimbursement and to what extent Medicaid-reimbursed tests performed by pharmacies would replace tests otherwise performed by and reimbursed to other providers.

Long-Range Fiscal Implications