



Legislative Fiscal Bureau

One East Main, Suite 301 • Madison, WI 53703 • (608) 266-3847 • Fax: (608) 267-6873

November 9, 2011

TO: Members
Joint Committee on Finance

FROM: Bob Lang, Director

SUBJECT: Health Services: Request for Authorization to Implement Changes to the Medical Assistance Program -- Agenda Item IV

Materials provided to the Committee's members by this office on November 8, 2011, in preparation for the Committee's November 10, 2011, meeting included a memorandum regarding the Department of Health Services' (DHS) request for authorization to implement changes to the medical assistance program (Agenda Item IV). Attachment 5 to that memorandum, provided by DHS, is entitled "Estimated Average Monthly Cost Sharing Under the Alternative Benchmark Plan (Premiums and Copayments) for Families With Income of 150% of FPL." Today, DHS provided revised estimates of some of the information in that attachment. The Department's revisions relate to the average monthly copayments BadgerCare Plus recipients currently pay under the Standard Plan, and what those recipients are projected to pay under the proposed Alternative Benchmark Plan. Attached is a revised Attachment 5 which incorporates the Department's revised monthly copayment estimates. DHS has indicated that the revision reflects a correction in the estimated monthly copayment requirements associated with prescription drug costs.

Attachment 5 (both the original and revised version) also provides estimated participant cost-sharing estimates under the state employee health plan. Those estimates, also provided by DHS, are based on per member per month savings cited in a staff correspondence memorandum to the Group Insurance Board dated June 24, 2011.

EP/lb
Attachment

ATTACHMENT 5

Estimated Average Monthly Cost Sharing Under the Alternative Benchmark Plan (Premiums and Copayments) for Families With Income of 150% of FPL (revised November 9, 2011)

	<u>Income</u>	<u>Premium</u>	<u>Copayments</u>	<u>Total</u>	<u>% of Income</u>
Group Size 2					
1 Adult 1 Kid					
150% FPL = \$1,839/month					
Standard plan	\$1,839	\$10.00	\$13.89	\$23.89	1.30%
Benchmark Plan	1,839	91.94	75.94	167.88	9.13
State Employee	1,839	201.00	67.36	268.36	14.59
Group Size 3					
1 Adult 2 Kids					
150% FPL = \$2,316/month					
Standard plan	2,316	10.00	13.89	23.89	1.03
Benchmark Plan	2,316	115.81	80.31	196.12	8.47
State Employee	2,316	201.00	101.04	302.04	13.04
Group Size 3					
2 Adult 1 Kid					
150% FPL = \$2,316/month					
Standard plan	2,316	10.00	25.99	35.99	1.55
Benchmark Plan	2,316	115.81	147.51	263.32	11.37
State Employee	2,316	201.00	101.04	302.04	13.04
Group Size 4					
1 Adult 3 Kids					
150% FPL = \$2,794/month					
Standard plan	2,794	10.00	17.45	27.45	0.98
Benchmark Plan	2,794	139.69	84.68	224.36	8.03
State Employee	2,794	201.00	134.72	335.72	12.02
Group Size 4					
2 Adult 2 Kids					
150% FPL = \$2,794/month					
Standard plan	2,794	10.00	27.77	37.77	1.35
Benchmark Plan	2,794	139.69	151.88	291.56	10.44
State Employee	2,794	201.00	134.72	335.72	12.02