

ORDER OF THE
DEPARTMENT OF HEALTH AND FAMILY SERVICES
AMENDING RULES

The Wisconsin Department of Health and Family Services proposes an order to amend HFS 152.065 (6), relating to reimbursement for treatment of chronic renal disease, to amend HFS 153.07 (4), relating to reimbursement for blood products and supplies used in the home care of hemophilia and to amend HFS 154.07 (4), relating to reimbursement for treatment of persons with cystic fibrosis.

Analysis Prepared by the Department of Health and Family Services

The Wisconsin Chronic Disease Program (WCDP) is the payer of last resort for working poor persons with medical problems relating to chronic renal disease, cystic fibrosis or hemophilia. The Department administers the WCDP. The WCDP reimburses beneficiaries' dialysis and transplant services, home supplies, lab and x-ray services and kidney donor services for chronic renal disease recipients. Cystic fibrosis recipients are eligible for reimbursement of hospital services, certain physician services, lab and x-ray services, prescription medication and some home supplies. Recipients with hemophilia receive reimbursement for blood derivatives and supplies necessary for home infusion. The program's annual \$5 million budget is entirely state funded. About 90% of the budget (\$4.5 million) funds the care of chronic renal disease recipients, of which 60% (\$2.7 million) is for drugs. Drug costs are increasing at a rate of at least 10% per year. The Wisconsin 2001-03 biennial budget does not provide for increases of this magnitude. Consequently, the WCDP will likely have an estimated shortfall of \$700,000 in the 2001-03 biennium. Generic drugs will be emphasized and an expanded drug rebate program will be implemented. In addition, WCDP drug copayment amounts need to be increased. The Department's administrative rules governing WCDP currently limit the drug copayment amounts to the \$1 used by the Wisconsin Medicaid Program.

The proposed new WCDP prescription drug copayment amounts are \$5 for generic drugs and \$10 for brand name drugs. These new copayment amounts resemble those used by commercial health insurers and were determined by the Department in consultation with the Chronic Renal Disease Program Advisory Committee.

The proposed rules potentially affect approximately 6,500 individuals with chronic renal disease, 200 individuals with hemophilia and 150 individuals with cystic fibrosis. Approximately 41% of persons enrolled in the program received state-funded benefits in 2000-01. The rest either incurred no expenses that were covered under these programs, or their expenses did not exceed the required deductibles.

The Department's authority to amend these rules is found in ss. 49.68 (2), 49.683 (1), 49.685 (6) and 227.11 (2) (a), Stats. The rules interpret ss. 49.683 and 49.687, Stats.

SECTION 1. HFS 152.065 (6) is amended to read:

HFS 152.065 (6) PATIENT COPAYMENT. When a pharmacy directly bills the chronic renal disease program for a prescription received by an ESRD patient, the patient is responsible for a \$5 copayment amount for each generic drug and a \$10 copayment amount for each brand name drug. ~~the same copayment amount a medical assistance recipient incurs for a similar prescription pursuant to s. 49.45 (18), Stats. However, the partial medical assistance copayment exemptions in s. 49.45 (18), Stats., do not apply to an ESRD patient.~~

SECTION 2. HFS 153.07 (4) is amended to read:

HFS 153.07 (4) PARTICIPANT COPAYMENT. When a pharmacy directly bills the hemophilia home care program for a prescription received by a program participant, the participant is responsible for a \$5 copayment amount for each generic drug and a \$10 copayment amount for each brand name drug. ~~the same copayment amount a medical assistance recipient incurs for the same copayment amount a medical assistance recipient incurs for a similar prescription pursuant to s. 49.45 (18), Stats. However, the partial medical assistance copayment exemptions in s. 49.45 (18), Stats., do not apply to a program participant.~~

SECTION 3. HFS 154.07 (4) is amended to read:

HFS 154.07 (4) PARTICIPANT COPAYMENT. When a pharmacy directly bills the adult cystic fibrosis program for a prescription received by a program participant, the participant is responsible for a \$5 copayment amount for each generic drug and a \$10 copayment amount for each brand name drug. ~~the same copayment amount a medical assistance recipient incurs for the same copayment amount a medical assistance recipient incurs for a similar prescription pursuant to s. 49.45 (18), Stats. However, the partial medical assistance copayment exemptions in s. 49.45 (18), Stats., do not apply to a program participant.~~

The rules contained in this order shall take effect on the first day of the month following publication in the Wisconsin Administrative Register, as provided in s. 227.22 (2) (intro), Stats.

Wisconsin Department of Health
and Family Services

Dated:

By: _____
Phyllis Dubé
Secretary

SEAL: