



Legislative Fiscal Bureau

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Joint Committee on Finance

Paper #395

WisconCare and Hospital Assessments (DHFS -- Health Care Financing -- Payments, Services, and Eligibility)

[LFB 2003-05 Budget Summary: Page 224, #21]

CURRENT LAW

WisconCare provides primary health care services, including diagnostic, laboratory and x-ray services, prescription drugs, and nonprescription insulin and insulin syringes to individuals who: (a) have income that does not exceed 150% of the federal poverty level; (b) are employed for less than 25 hours per week; and (c) do not have health care coverage. The program currently operates in 17 counties and serves approximately 175 individuals. In 2002-03, \$750,000 PR is budgeted to fund WisconCare benefits.

DHFS assesses hospitals \$1,500,000 annually, in proportion to each hospital's gross private pay patient revenues during the hospital's most recently concluded fiscal year. This funding is currently used to support: (a) WisconCare (\$750,000) and (b) a portion of the costs of supporting graduate medical education payments under the state's medical assistance (MA) program.

GOVERNOR

Repeal the WisconCare program, effective on the bill's general effective date. Make statutory changes so that \$750,000 PR currently budgeted for WisconCare would instead fund general MA benefits costs. Reduce MA benefits funding by \$750,000 GPR annually to reflect the substitution of PR funding that would have been budgeted for WisconCare for MA GPR base funding. Reduce federal MA benefits funding by \$1,053,500 FED in 2003-04 and by \$1,053,300 FED in 2004-05.

MODIFICATION

Increase MA benefits funding by \$1,053,500 FED in 2003-04 and by \$1,053,300 FED in 2004-05 and include a statutory provision that would enable DHFS to pay outstanding claims related to the WisconCare program from the MA benefits appropriation in 2003-04.

Explanation: This modification would correct funding in the bill to reflect that federal funding claimed under MA would not change by substituting one state source (GPR) with another (PR). Additionally, this modification would provide DHFS with the authority to pay, in 2003-04, from the modified PR appropriation, claims for services provided under WisconCare before the program is terminated (July 1, 2003) but submitted after that date. Any remaining revenue balance in the PR appropriation would first be used to support claims for services provided under WisconCare program, and then be available to support MA benefits.

<u>Modification</u>	<u>FED</u>
2003-05 FUNDING (Change to Bill)	\$2,106,800

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