

### Fiscal Estimate - 2011 Session

Original       Updated       Corrected       Supplemental

<b>LRB Number 11-1557/1</b>		<b>Introduction Number AB-0151</b>	
<b>Description</b> Copayments, deductibles, or coinsurance for oral chemotherapy and injected or intravenous chemotherapy			
<b>Fiscal Effect</b>			
<b>State:</b>			
<input type="checkbox"/> No State Fiscal Effect			
<input checked="" type="checkbox"/> Indeterminate			
<input type="checkbox"/> Increase Existing Appropriations		<input type="checkbox"/> Increase Existing Revenues	
<input type="checkbox"/> Decrease Existing Appropriations		<input type="checkbox"/> Decrease Existing Revenues	
<input type="checkbox"/> Create New Appropriations		<input type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Yes <input type="checkbox"/> No	
		<input type="checkbox"/> Decrease Costs	
<b>Local:</b>			
<input type="checkbox"/> No Local Government Costs			
<input checked="" type="checkbox"/> Indeterminate			
1. <input type="checkbox"/> Increase Costs		3. <input type="checkbox"/> Increase Revenue	
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory		<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	
2. <input type="checkbox"/> Decrease Costs		4. <input type="checkbox"/> Decrease Revenue	
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory		<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	
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	
<b>Fund Sources Affected</b>		<b>Affected Ch. 20 Appropriations</b>	
<input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS			
<b>Agency/Prepared By</b>		<b>Authorized Signature</b>	<b>Date</b>
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## Fiscal Estimate Narratives

ETF 6/9/2011

LRB Number	11-1557/1	Introduction Number	AB-0151	Estimate Type	Original
<b>Description</b> Copayments, deductibles, or coinsurance for oral chemotherapy and injected or intravenous chemotherapy					

### Assumptions Used in Arriving at Fiscal Estimate

This bill prohibits health insurance plans providing coverage to state and participating local government participants from charging those participants a higher deductible, co-insurance or co-payment for oral chemotherapy than they are charged for receiving intra-venous or injectible chemotherapy (IIC). Under benefits currently available to these participants, this bill will have fiscal effect by eliminating the applicable co-payments for out-patient prescription drugs.

Based on 2011 costs and benefits, the cost to the state is under \$37,164 annually (0.02 per member per month x 12 months x 163,000 members x .95 state share of premium).

For the Wisconsin Public Employers (local government) health plan the cost is under \$7,000 annually.

This estimate assumes current Uniform Benefits will available to state employees. It is subject to revision if there are benefits changes contained in pending 2011 Wisconsin Act 10 are incorporated into law which require additional modifications to health plan and pharmacy benefit manager computer systems to account for these entities sharing variable cost information.

This estimate assumes that a general increase in deductibles or co-insurance is allowable under the law since it would not single out chemotherapy benefits for cost increases. Thus while the law provides that a plan cannot increase the cost of IIC in order to comply, an increase in cost-sharing generally under the plan would be allowable even if it resulted in increased costs for chemotherapy if that cost increase also applied to other benefits under the plan.

Finally this estimate assumes that the following language in the bill: "...may not require a higher co-payment, deductible, or co-insurance amount for oral chemotherapy than it requires for injected or intravenous chemotherapy, regardless of the formulation or benefit category determination by the policy or plan" does not prohibit prior authorization for oral chemotherapy agents or their injected/intravenous equivalents.

The cost of this bill does not include oral chemotherapy agents that are under investigation but are not yet approved the federal Food and Drug Administration.

### Long-Range Fiscal Implications