

Fiscal Estimate - 2017 Session

Original Updated Corrected Supplemental

LRB Number 17-3980/1		Introduction Number AB-1017	
Description approval of certain rate increases for health insurance			
Fiscal Effect			
State:			
<input type="checkbox"/> No State Fiscal Effect			
<input type="checkbox"/> Indeterminate			
<input checked="" 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	
Local:			
<input type="checkbox"/> No Local Government Costs			
<input 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	
Fund Sources Affected		Affected Ch. 20 Appropriations	
<input type="checkbox"/> GPR <input type="checkbox"/> FED <input checked="" type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS			
Agency/Prepared By		Authorized Signature	Date
OCI/ Jeff Grothman (608) 264-6239		J.P. Wieske (608) 266-2493	4/4/2018

Fiscal Estimate Narratives

OCI 4/4/2018

LRB Number	17-3980/1	Introduction Number	AB-1017	Estimate Type	Original
Description approval of certain rate increases for health insurance					

Assumptions Used in Arriving at Fiscal Estimate

OCI has monitored and enforced Ch. 625, Stats., as part of its regulatory oversight of the insurance marketplace. Beginning in 2011, following passage of the ACA, OCI retained the ability to regulate Wisconsin's healthcare insurance rate filings as an Effective Rate Review Program. As such, OCI has primary rate review authority over ACA compliant individual and small group rate filings for products offered through the federal exchange. Additionally, OCI retained all authority over rate review of the parallel products offered off exchange, transitional and all health benefit insurance plans as described in the bill.

This bill adds timeframes to the rate reviews conducted by OCI for health benefit plans that include all comprehensive health products offered to the Wisconsin population regardless of whether they are offered on or off the exchange. Currently, due to federal time constraints for products that are to be offered through the federal exchange, OCI staff is required to review those filings first.

In order to comply with this bill, OCI will require additional staff resources to meet the proposed timeframes. OCI will require one additional rate review examiner position to handle the new timelines in this bill.

Expenditures summary (Includes salary and fringe benefits) per year:

Insurance Examiner-Journey \$64,100

Long-Range Fiscal Implications