

### Fiscal Estimate - 2017 Session

Original     
  Updated     
  Corrected     
  Supplemental

|  |   |
|--|---|
| <b>LRB Number</b> 17-3762/1  | <b>Introduction Number</b> AB-0445                          |
| <b>Description</b><br>the Badger Health Benefit Authority, health benefit exchange operation, granting rule-making authority, and providing a criminal penalty   |   |
| <b>Fiscal Effect</b>   |   |
| <b>State:</b><br><input type="checkbox"/> No State Fiscal Effect<br><input checked="" type="checkbox"/> Indeterminate<br><div style="display: flex; justify-content: space-between;"> <div style="width: 30%;"> <input type="checkbox"/> Increase Existing Appropriations<br/> <input type="checkbox"/> Decrease Existing Appropriations<br/> <input type="checkbox"/> Create New Appropriations                 </div> <div style="width: 30%;"> <input type="checkbox"/> Increase Existing Revenues<br/> <input type="checkbox"/> Decrease Existing Revenues                 </div> <div style="width: 30%;"> <input type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget<br/> <input type="checkbox"/> Yes      <input type="checkbox"/> No<br/> <input type="checkbox"/> Decrease Costs                 </div> </div>   |   |
| <b>Local:</b><br><input type="checkbox"/> No Local Government Costs<br><input type="checkbox"/> Indeterminate<br><div style="display: flex; justify-content: space-between;"> <div style="width: 30%;">                 1. <input type="checkbox"/> Increase Costs<br/> <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory<br/>                 2. <input type="checkbox"/> Decrease Costs<br/> <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory             </div> <div style="width: 30%;">                 3. <input type="checkbox"/> Increase Revenue<br/> <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory<br/>                 4. <input type="checkbox"/> Decrease Revenue<br/> <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory             </div> <div style="width: 30%;">                 5. Types of Local Government Units Affected<br/> <input type="checkbox"/> Towns      <input type="checkbox"/> Village      <input type="checkbox"/> Cities<br/> <input type="checkbox"/> Counties      <input type="checkbox"/> Others      <u>0</u><br/> <input type="checkbox"/> School Districts      <input type="checkbox"/> WTCS Districts             </div> </div> |   |
| <b>Fund Sources Affected</b> <b>Affected Ch. 20 Appropriations</b><br><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><br>DOC/ Michael Slana (608) 240-5414   | <b>Authorized Signature</b><br>Donald Friske (608) 240-5056 |
| <b>Date</b><br>7/24/2017   |   |

## Fiscal Estimate Narratives

DOC 7/24/2017

|  |           |                     |         |               |          |
|--|-----------|---------------------|---------|---------------|----------|
| LRB Number   | 17-3762/1 | Introduction Number | AB-0445 | Estimate Type | Original |
| <b>Description</b><br>the Badger Health Benefit Authority, health benefit exchange operation, granting rule-making authority, and providing a criminal penalty |           |                     |         |               |          |

### Assumptions Used in Arriving at Fiscal Estimate

This bill would create the Badger Health Benefit Authority. This authority would establish and operate a Wisconsin Health Benefit Exchange and make qualified health plans available to qualified individuals and qualified employers. Individuals incarcerated in a correctional facility (other than incarceration pending the disposition of charges) at the time of enrollment are not qualified individuals.

This bill requires the Badger Health Benefit Authority to assist in coordinating any necessary administrative operations between the Department of Corrections (DOC) and the Department of Health Services (DHS) to ensure that:

1. An individual, upon placement in a correctional facility, is disenrolled for the duration of his or her incarceration from any health care coverage in which he or she is enrolled.
2. An individual who is incarcerated in a correctional facility, but scheduled to be released from incarceration in the near future, is enrolled prior to release, through the exchange and effective upon the date of his or her release, in Medical Assistance, a qualified health plan, or some other form of minimum essential coverage on the date of his or her release from incarceration.

Currently, DOC provides information to DHS to assist with disenrolling individuals placed in correctional facilities from Medicaid, and DOC uses staff and contractors to assist soon-to-be-released inmates with signing up for Medicaid. These procedures could be modified as needed to achieve compliance with this bill.

This bill creates new crimes under Wis. Stat. 636.80(6) and 636.82(3). These crimes have a maximum penalty of a fine of no more than \$5,000 or imprisonment of no more than one year in a county jail, and as such a violation of these provisions cannot result in an offender being sentenced to prison.

DOC is unable to estimate the fiscal effect of this bill, as it is unable to estimate how many individuals will be subject to the bill's new criminal penalty provisions. The precise cost of this legislation will ultimately depend on the number of offenders and the sentencing practices of judges.

If there is a large increase in the number of offenders convicted of this crime and placed on probation or extended supervision, additional community corrections funding and/or positions may be necessary to handle the population. The average FY16 annual cost to supervise one offender is approximately \$3,000.

Costs at the local level may increase if offenders are placed in jail. The average FY16 annual cost to jail inmates is \$18,800.

### Long-Range Fiscal Implications