



## Fiscal Estimate Narratives

OCI 2/9/2018

LRB Number	<b>17-5154/1</b>	Introduction Number	<b>AB-0885</b>	Estimate Type	<b>Original</b>
<b>Description</b> Wisconsin Healthcare Stability Plan, reinsurance of health carriers, reallocating savings from health insurer fee, providing an exemption from emergency rule procedures, granting rule-making authority, and making appropriations					

### Assumptions Used in Arriving at Fiscal Estimate

This bill creates a \$200 million reinsurance program to increase stability in the individual market and to lower premiums. Based on initial review, the state will be required to fund roughly twenty-five (25) percent of the program and the federal government will fund pass through dollars supporting the remaining seventy-five (75) percent of the cost. Federal funding will come from reductions in the amount of subsidy the federal government pays for insurance. State funding would come from estimated savings in the state Medical Assistance program. Therefore, initially, there will be no general fund impact for the program. If implemented, the program can be evaluated in future years to determine if it should continue and/or if additional 1332 waivers are to be pursued.

The operational expenses of the program will include contracting for actuarial expertise to determine costs year to year and will be absorbed by the agency.

At this time, any costs to OCI relating to this bill are indeterminate.

### Long-Range Fiscal Implications