

Senator Fitzgerald  
Senator Lazich  
Senator Darling  
Representative Kaufert  
Representative Rhoades

HEALTH AND FAMILY SERVICES  
MA, BADGERCARE AND SENIORCARE -- ELIGIBILITY, PAYMENTS AND SERVICES

Omnibus Funding Motion

Motion:

Move to amend the bill as follows.

1. *Nursing Home Rates and Bed Assessment.* Adopt Alternative A4 in LFB Paper #385, which would delete the Governor's provisions relating to the bed assessment and nursing home rate increase. Reduce funding for DHFS by \$38,021,600 (\$7,401,000 GPR, -\$21,724,000 FED, -\$436,800 PR, and -\$23,261,800 SEG) in 2005-06 and by \$50,829,100 (\$7,622,600 GPR, -\$28,667,700 FED, -\$867,900 PR, and -\$28,916,100 SEG) in 2006-07. Delete funding in the bill for the Department of Veterans Affairs to support the Governor's proposed increase in the monthly nursing home bed assessment on all licensed beds at the Wisconsin Veterans Homes at King and Union Grove (-\$462,600 PR in 2005-06 and -\$552,600 PR in 2006-07).

Instead, provide \$12,189,100 (\$5,141,700 GPR and \$7,047,400) in 2005-06 and \$23,794,400 (\$10,118,000 GPR and \$13,676,400 FED) in 2006-07 to increase rates for nursing homes by approximately 1.4% in 2005-06 and an additional 1.4% in 2006-07.

Adopt Alternative B2 in LFB Paper #385, so that all revenue from the current bed assessment would be deposited to the MA trust fund. Reduce MA benefits funding by \$13,800,000 GPR annually and increase MA benefits funding by \$13,800,000 SEG annually. Reduce estimated GPR revenues by \$13,800,000 annually and increase estimates of revenue deposited to the MA trust fund by \$13,800,000 annually.

2. *HMO Assessment and Rate Increase.* Adopt Alternative 2 in LFB Paper #385, which would delete all of the Governor's provisions relating to this item. Reduce funding by \$36,114,600 (\$14,787,200 GPR, -\$21,868,500 FED and -\$9,458,900 SEG) in 2005-06 and by \$81,159,100 (\$27,741,000 GPR, -\$49,719,800 FED and -\$5,698,300 SEG) in 2006-07 and reduce estimated revenues by \$29,033,300 SEG-REV in 2005-06 and by \$59,180,300 SEG-REV in 2006-07.

In addition, require the MA and BadgerCare programs to pay health maintenance organizations that serve MA or BadgerCare recipients actuarially sound capitation rates.

3. *Pharmacy Reimbursement.* Adopt Alternative 3 in LFB Paper #371, which would delete the Governor's proposal to: (a) reduce, from the average wholesale price (AWP) minus 13%, to the AWP minus 16%, reimbursement to pharmacies for brand name drugs; (b) reduce the dispensing fee from \$4.38 to \$3.88 per prescription; and (c) eliminate the 5% enhancement the state pays to pharmacies for drugs dispensed under SeniorCare. Increase funding in the bill by \$16,217,900 (\$7,201,800 GPR and \$9,016,100 FED) in 2005-06 and by \$23,597,100 (\$10,185,100 GPR and \$13,412,000 FED) in 2006-07.

In addition, prohibit DHFS from placing any new limitations on the use of psychotropic medications, other than selective serotonin reuptake inhibitors and stimulants, that are prescribed to treat mental illness, under the state's medical assistance, BadgerCare and SeniorCare programs in the 2005-07 biennium.

Finally, require the DHFS to prepare a report by January 1, 2006, that provides specified information on the prescriptions physicians wrote for MA and BadgerCare recipients in 2004-05. Specify that the report would include, for each physician: (a) the number of brand name prescriptions each physician wrote as a percentage of total prescriptions the physician wrote; (b) the number of generic prescriptions each physician wrote as a percentage of total prescriptions the physician wrote; (c) the number of prescriptions each physician wrote that required prior authorization, and the percentage these prescriptions represented of the total number of prescriptions each physician wrote; and (d) the number of "brand necessary" prescriptions each physician wrote for drugs for which a generic drug was available, and the percentage these prescriptions represented of the total number drugs each physician wrote in cases where a generic drug was available.

4. *Non-Emergency Transportation Services.* Adopt Alternative 2 in LFB Paper #372, which would delete the Governor's proposal to establish a brokerage system for the provision of MA transportation services. Reduce funding in the bill by \$52,400 (-\$26,200 GPR and -\$26,200 FED) in 2005-06 and increase funding in the bill by \$6,658,100 (\$3,083,900 GPR and \$3,574,200 FED) in 2006-07.

Instead, reduce funding by \$3,556,000 (-\$1,500,000 GPR and -\$2,056,000 FED) in 2005-06 and \$3,527,500 (-\$1,500,000 GPR and -\$2,027,500 FED) in 2006-07 and direct DHFS to modify current policies to generate these savings in nonemergency transportation services.

5. *Essential Access City Hospital Supplement.* Adopt Alternative 3 of LFB Paper #373, which would delete the Governor's provision to increase funding for the essential access city hospital (EACH) supplement. Decrease funding in the bill by \$1,506,400 (-\$635,400 SEG and -\$871,000 FED) in 2005-06 and \$1,525,400 (-\$646,000 SEG and -\$879,400 FED) in 2006-07.

6. *Rehabilitation Agency Therapy Rates.* Adopt Alternative 3 in LFB Paper # 374, which would delete the Governor's proposal to restructure reimbursement rates for occupational and physical therapy services provided by rehabilitation agencies. Increase funding in the bill by \$1,002,900 (\$423,100 GPR and \$579,800 FED) in 2005-06 and \$2,005,700 (\$849,400 GPR and \$1,156,300 FED).

7. *BadgerCare Coverage of Prenatal Care and Delivery Services.* Adopt Alternative 1 of LFB Paper #375, which would adopt the Governor's proposal to provide prenatal care and delivery services for non-qualified immigrants under the state's BadgerCare program, as modified, and no longer fund delivery services for these women under the state's MA program. Increase funding in the bill by \$401,600 (\$171,900 GPR and \$229,700 FED) in 2005-06 and \$243,900 (-\$99,600 GPR and \$343,500 FED) in 2006-07.

8. *Eliminate Second Opinion Provision for Elective Surgery.* Adopt Alternative 1 in LFB Paper #376, which would adopt the Governor's recommendation to repeal the provision that prohibits DHFS from reimbursing a provider for certain elective procedures without a second opinion.

9. *SeniorCare Program Options.* Adopt Alternative 5 in LFB Paper #377 to take no action.

10. *Outpatient Hospital Services Rate Increase.* Move to increase funding in the bill by \$5,926,600 (\$2,500,000 GPR and \$3,426,600 FED) in 2005-06 and \$5,879,200 (\$2,500,000 GPR and \$3,379,200 FED) in 2006-07, to fund an across-the board rate increase for outpatient hospital services, beginning in 2005-06.

11. *Eliminate Coverage of Bariatric Surgery.* Eliminate coverage of bariatric surgery under the MA and BadgerCare programs. Decrease funding for MA benefits by \$904,600 (-\$381,600 GPR and -\$523,000 FED) and \$904,600 (-\$384,700 GPR and -\$519,900 FED) in 2006-07.

12. *Restore MA Base Funding* [LFB Paper #365]. Restore GPR funding for MA benefits costs and delete funding provided in AB 100 from the health care quality improvement fund to support MA benefits costs. Increase funding by \$159,068,000 GPR in 2005-06 and by \$139,068,000 GPR in 2006-07, and reduce SEG funding by corresponding amounts. Delete all remaining references to the health care quality improvement fund from the bill.

13. *Increase Generic Copayment.* Increase, from \$1 to \$3, the copayment for generic drugs dispensed to medical assistance and BadgerCare recipients, effective October 1, 2005. Decrease funding in the bill by \$1,807,600 (-\$762,500 GPR and -\$1,045,100 FED) in 2005-06 and \$2,530,600 (-\$1,076,100 GPR and -\$1,454,500 FED) in 2006-07.

14. *Report on Limiting Brand Name Prescriptions.* Require DHFS to submit a report to the Joint Committee on Finance and the appropriate legislative standing committees by July 1, 2006, which would: (a) identify the potential savings to the MA, BadgerCare and SeniorCare programs of limiting the number of brand name prescription drugs recipients could receive in any month to five, after which any additional brand name prescription drugs would be subject to prior authorization procedures; and (b) identify costs DHFS and providers would incur if such a proposal were implemented.

15. *Rural Health Clinics Expansion.* Increase funding in the bill by \$400,000 GPR in 2006-07 to provide ongoing support for a rural health clinic to be located in Chippewa Falls to provide dental services to persons who are developmentally disabled or elderly or low-income persons in Chippewa County and the surrounding area, including the counties of Dunn, Barron, Taylor, Clark, and Eau Claire.

16. *Authorization Procedures for Occupational and Physical Therapy Services.* Require DHFS to substantiate any reduction in the duration of occupational and physical therapy services from the initial provider request that would lead to additional prior authorization being needed to deliver medically necessary services to medical assistance recipients. In addition, require DHCF to work in concert with representatives of the Physical, Occupational, and Speech Therapy Association to monitor compliance.

---

Note:

This motion incorporates items relating to the MA, BadgerCare, and SeniorCare.

The net GPR effect of this motion is to increase authorized GPR spending in the bill by \$364,932,000 and to reduce GPR revenue by \$27,600,000 in the 2005-07 biennium, for a net effect on the general fund of \$392,532,000.

[Change to Bill: \$364,932,000 GPR, -\$79,524,600 FED, -\$412,208,900 SEG, -\$2,319,900 PR, -\$112,791,600 SEG-REV and -\$27,600,000 GPR-Earned]