

OFFICE OF THE COMMISSIONER OF INSURANCE

GOVERNOR'S BUDGET RECOMMENDATIONS

Source of Funds	FY21 Adjusted Base	FY22 Recommended	% Change Over FY21	FY23 Recommended	% Change Over FY22
GPR	72,273,700	59,767,800	-17.3	59,597,100	-0.3
PR-F	127,726,300	141,955,200	11.1	141,955,200	0.0
PR-O	20,398,300	23,464,300	15.0	27,136,500	15.7
SEG-O	61,244,900	68,444,700	11.8	62,966,700	-8.0
TOTAL	281,643,200	293,632,000	4.3	291,655,500	-0.7

FULL-TIME EQUIVALENT POSITION SUMMARY

Source of Funds	FY21 Adjusted Base	FY22 Recommended	FTE Change Over FY21	FY23 Recommended	FTE Change Over FY22
GPR	0.00	10.00	10.00	10.00	0.00
PR-O	124.15	148.15	24.00	148.15	0.00
SEG-O	10.68	10.68	0.00	10.68	0.00
TOTAL	134.83	168.83	34.00	168.83	0.00

AGENCY DESCRIPTION

The agency was created by the Legislature in 1871, and the original intent of the agency has not changed drastically over the past 150 years. The agency is vested with broad powers to ensure that the insurance industry responsibly and adequately meets the insurance needs of Wisconsin citizens. The agency performs a variety of tasks to protect insurance consumers and ensure a competitive insurance environment. The agency's major functions include: reviewing insurance policies that are sold in Wisconsin to make sure they meet the requirements set forth in Wisconsin law; conducting examinations of domestic and foreign insurers to ensure compliance with Wisconsin laws and rules; monitoring the financial solvency of licensed companies to make sure that consumers have the insurance coverage they expect when they need it; issuing licenses to the various parties involved in selling and marketing insurance products; assisting insurance consumers with their insurance problems; researching special insurance issues to understand and assess their impact on Wisconsin; providing technical assistance on legislation and promulgating administrative rules to interpret insurance laws; creating and distributing public information and consumer education pieces to educate people about insurance; and operating a state life insurance fund and an injured patients and families compensation fund insuring healthcare providers for medical malpractice.

MISSION

The mission of the agency is to protect and educate Wisconsin consumers by maintaining and promoting a strong insurance industry.

PROGRAMS, GOALS, OBJECTIVES AND ACTIVITIES

Note: Programs, goals, objectives and activities have been modified.

Program 1: Supervision of the Insurance Industry

Goal: Proactively address the root causes of problems in the insurance marketplace through effective regulation, with an emphasis on early detection and prevention.

Objective/Activity: Aggressively conduct all regulatory core mission functions including information collection, analysis, licensing and adjudication; refine and improve early warning systems in financial and market regulation; train staff to facilitate intra-agency communication and early identification of regulatory issues; and encourage external interaction and feedback.

Goal: Provide information and assistance to the public including consumers, legislators, insurers, agents, other states, the federal government and other organizations.

Objective/Activity: Ensure that staff members directly interacting with the public have the training and equipment to provide information and assistance in a timely and courteous manner; continue to use and improve performance measures; provide public information through the development and implementation of a coordinated communication plan; and improve and preserve state regulation of insurance by communicating with and informing the public.

Goal: Provide ongoing support and development of each staff member.

Objective/Activity: Provide a healthy and safe work environment; develop the full potential of staff by promoting training and growth opportunities; foster diversity in the workplace; promote positive communication, cooperation and mutual respect within and among all work units, and continue to develop work group teams to improve cross-functional work processes; through continued use of performance standards, strive to improve all functions; and assess restructuring and reallocation of staff resources as appropriate to better address work needs.

Goal: Use appropriate technology to provide tools for the regulation of insurance.

Objective/Activity: Continually review emerging technologies and conduct cost-benefit analyses of applications; encourage office-wide participation in technology planning and implementation such as through the Information Technology Strategic Planning Committee; improve state regulation and service by implementing the use of technology to facilitate the sharing of information with other regulatory authorities; and provide opportunities for staff to research and develop new approaches to optimize the use of technology.

Program 2: Injured Patients and Families Compensation Fund

The major objective of the program is to assure that adequate funds are available to compensate patients for serious injuries resulting from acts of medical malpractice.

Goal: Provide excess medical malpractice coverage for Wisconsin healthcare providers.

Objective/Activity: Ensure the sound fiscal management and integrity of the fund and provide a regular accounting or audit of the fund.

Program 3: Local Government Property Insurance Fund

The fund made insurance available for local government property such as municipal buildings, schools, libraries and vehicles.

The fund was closed through 2017 Wisconsin Act 59 which outlined the following deadlines for closing the fund.

- No coverage renewed after December 31, 2017.
- No coverage may terminate later than December 31, 2018.
- All claims must be filed no later than July 1, 2019.
- No claim filed after July 1, 2019, will be covered by the fund.

Program 4: State Life Insurance Fund

The fund is a state-sponsored program established to provide low-cost life insurance coverage. The maximum level of coverage available to each policyholder is \$10,000.

Goal: Provide a state-sponsored life insurance program for the benefit of residents of Wisconsin.

Objective/Activity: Ensure the sound fiscal management and integrity of the fund and provide a regular accounting or audit of the fund.

Program 5: Wisconsin Healthcare Stability Plan

The agency developed a 1332 Waiver for State Innovation Application under the federal Affordable Care Act pursuant to 2017 Wisconsin Act 138 allowing Wisconsin to leverage federal funding for the operation of a state-based reinsurance plan.

A 1332 waiver permits states to pursue innovative strategies to ensure residents have access to affordable health insurance options.

On July 29, 2018, the U.S. Department of Health and Human Services and the U.S. Department of the Treasury approved Wisconsin's 1332 waiver application. The approval is effective January 1, 2019, through December 31, 2023.

PERFORMANCE MEASURES**2019 AND 2020 GOALS AND ACTUALS**

Prog. No.	Performance Measure	Goal 2019	Actual 2019	Goal 2020	Actual 2020
1.	Number of financial examinations conducted.	62	61	34	N/A
1.	Consumer complaints handled in a timely fashion.	95%	99.75%	95%	N/A
1.	Policy form reviews conducted in a timely manner.	6,000	13,161	6,000	N/A
1.	Insurance intermediary licensing function processed in a timely manner.	39,000	43,712	39,000	N/A

Prog. No.	Performance Measure	Goal 2019	Actual 2019	Goal 2020	Actual 2020
1.	Develop, maintain and distribute consumer education material to the public in a timely manner. ¹	1 350,000	1 320,380	1 350,000	N/A
1.	Continually update the Web site so users can find the information they need. ²	975 50,750	790 23,018	975 50,750	N/A
2.	Injured patients and families compensation fund report accepted by Board of Governors.	Report accepted	Report accepted	Report accepted	N/A
3.	Submit annual statement to regulator of the fund timely and in accordance with statutory and Generally Accepted Accounting Principles (GAAP) reporting requirements.	Meet GAAP standards	Met GAAP standards	Meet GAAP standards	N/A
3.	Provide a regular accounting or audit of fund via a Legislative Audit Bureau audit, which results in no major issues being identified or qualified audit opinion being rendered.	Unqualified opinion	Unqualified opinion	Unqualified opinion	N/A
4.	Submit annual statement to regulator of the fund timely and in accordance with statutory and GAAP reporting requirements.	Meet GAAP standards	Met GAAP standards	Meet GAAP standards	Audit has not yet occurred
4.	Provide a regular accounting or audit of fund via a Legislative Audit Bureau audit, which results in no major issues being identified or qualified opinion being rendered.	Unqualified opinion	Unqualified opinion	Unqualified opinion	Audit has not yet occurred

Note: Based on calendar year. Actuals for 2020 are not yet available.

¹Two figures are presented. The first is the number of new publications developed. The second is the number of viewed publications on-line.

²Two numbers are presented. The first is the number of major updates to the Web site per year. The second is the total number of views per week on the Web site.

2021, 2022 AND 2023 GOALS

Prog. No.	Performance Measure ¹	Goal 2021 ¹	Goal 2022	Goal 2023
1.	Number of financial examinations conducted during the fiscal year.	41	44	61
1.	Consumer complaints handled in a timely fashion.	95%	95%	95%
1.	Policy form reviews conducted in a timely manner.	6,000	6,000	6,000

Prog. No.	Performance Measure¹	Goal 2021¹	Goal 2022	Goal 2023
1.	Insurance intermediary licensing function processed in a timely manner.	39,000	39,000	39,000
1.	Increase number of first-time visitors to the department's Web site.	5% year over year	5% year over year	5% year over year
1.	Web site sessions.	368,000	368,000	368,000
1.	Publication page views.	16,000	16,000	16,000
1.	Increase engagement for Facebook, Twitter, Instagram and LinkedIn.	5% year over year	5% year over year	5% year over year
2.	Injured patients and families compensation fund report accepted by Board of Governors.	Report accepted	Report accepted	Report accepted
4.	Submit annual statement to regulator of the fund timely and in accordance with statutory and GAAP reporting requirements.	Meet GAAP standards	Meet GAAP standards	Meet GAAP standards
4.	Provide a regular accounting or audit of fund via a Legislative Audit Bureau audit, which results in no major issues being identified or qualified opinion being rendered.	Unqualified opinion	Unqualified opinion	Unqualified opinion

Note: Based on calendar year.

¹Certain performance measures and goals have been revised.

OFFICE OF THE COMMISSIONER OF INSURANCE

GOVERNOR'S BUDGET RECOMMENDATIONS

RECOMMENDATIONS

1. State-Based Health Insurance Marketplace
2. Public Option Health Plan
3. School District Health Insurance Actuarial Report, Task Force and Implementation Plan
4. State-Based Marketplace Premium Assistance
5. Prescription Drug Affordability Review Board
6. Office of Prescription Drug Affordability
7. Insulin Copayment Cap
8. Insulin Safety Net Program
9. Prescription Drug Importation Program
10. Prescription Drug Purchasing Entity Study
11. Reinsurance Program State Subsidy Reestimate
12. Prescription Drug Supply Chain Regulation
13. Prescription Drug Supply Chain Transparency and Reporting
14. Pharmacy Benefits Manager Fiduciary Duty
15. Application of Pharmaceutical Drug Manufacturer Discounts
16. Pharmacy Benefits Tool Grants
17. Reimbursement Regulation of the 340B Program
18. Hospital Reporting for 340B Program Participants
19. Value-Based Diabetes Medication Pilot Program
20. Health Insurance Issuance and Coverage Protections
21. Telehealth Parity
22. Balance Billing Regulation
23. Short-Term, Limited Duration Insurance Plan Regulation
24. Prescription Drug Consumer Protections
25. Volunteerism Option for Pharmacist Continuing Education
26. Healthcare Outreach
27. Education on Worker Misclassification
28. Agency Equity Officer
29. Injured Patients and Families Compensation Fund System Solution
30. Fully Fund the Board on Aging and Long-Term Care's Medigap Helpline
31. Conversion of Project Position to Permanent
32. Standard Budget Adjustments

Table 1
Department Budget Summary by Funding Source (in thousands of dollars)

	ACTUAL FY20	ADJUSTED BASE FY21	AGENCY REQUEST		GOVERNOR'S RECOMMENDATION	
			FY22	FY23	FY22	FY23
GENERAL PURPOSE REVENUE	\$0.0	\$72,273.7	\$58,044.8	\$58,044.8	\$59,767.8	\$59,597.1
State Operations	0.0	72,273.7	58,044.8	58,044.8	59,767.8	59,597.1
FEDERAL REVENUE (1)	\$0.0	\$127,726.3	\$141,955.2	\$141,955.2	\$141,955.2	\$141,955.2
State Operations	0.0	127,726.3	141,955.2	141,955.2	141,955.2	141,955.2
PROGRAM REVENUE (2)	\$18,276.8	\$20,398.3	\$20,548.1	\$20,548.6	\$23,464.3	\$27,136.5
State Operations	18,276.8	20,398.3	20,548.1	20,548.6	23,464.3	27,136.5
SEGREGATED REVENUE (3)	\$28,284.9	\$61,244.9	\$67,095.8	\$62,460.7	\$68,444.7	\$62,966.7
State Operations	1,763.9	2,101.5	7,952.4	3,317.3	9,301.3	3,823.3
Local Assistance	159.1	500.0	500.0	500.0	500.0	500.0
Aids to Ind. & Org.	26,361.9	58,643.4	58,643.4	58,643.4	58,643.4	58,643.4
TOTALS - ANNUAL	\$46,561.7	\$281,643.2	\$287,643.9	\$283,009.3	\$293,632.0	\$291,655.5
State Operations	20,040.8	222,499.8	228,500.5	223,865.9	234,488.6	232,512.1
Local Assistance	159.1	500.0	500.0	500.0	500.0	500.0
Aids to Ind. & Org.	26,361.9	58,643.4	58,643.4	58,643.4	58,643.4	58,643.4

(1) Includes Program Revenue-Federal and Segregated Revenue-Federal

(2) Includes Program Revenue-Service and Program Revenue-Other

(3) Includes Segregated Revenue-Service, Segregated Revenue-Other and Segregated Revenue-Local

Table 2
Department Position Summary by Funding Source (in FTE positions) (4)

	ADJUSTED BASE FY21	AGENCY REQUEST		GOVERNOR'S RECOMMENDATION	
		FY22	FY23	FY22	FY23
GENERAL PURPOSE REVENUE	0.00	0.00	0.00	10.00	10.00
PROGRAM REVENUE (2)	124.15	124.15	124.15	148.15	148.15
SEGREGATED REVENUE (3)	10.68	10.68	10.68	10.68	10.68
TOTALS - ANNUAL	134.83	134.83	134.83	168.83	168.83

(1) Includes Program Revenue-Federal and Segregated Revenue-Federal

(2) Includes Program Revenue-Service and Program Revenue-Other

(3) Includes Segregated Revenue-Service, Segregated Revenue-Other and Segregated Revenue-Local

(4) All positions are State Operations unless otherwise specified

Table 3
Department Budget Summary by Program (in thousands of dollars)

	ACTUAL FY20	ADJUSTED BASE FY21	AGENCY REQUEST		GOVERNOR'S RECOMMENDATION	
			FY22	FY23	FY22	FY23
1. Supervision of the insurance industry	\$18,276.8	\$20,398.3	\$20,548.1	\$20,548.6	\$25,187.3	\$28,688.8
2. Injured patients and families compensation fund	\$23,774.5	\$55,559.7	\$61,412.2	\$56,777.1	\$62,761.1	\$57,283.1
3. Local government property insurance fund	\$159.1	\$500.0	\$500.0	\$500.0	\$500.0	\$500.0
4. State life insurance fund	\$4,351.3	\$5,185.2	\$5,183.6	\$5,183.6	\$5,183.6	\$5,183.6
5. Wisconsin Healthcare Stability Plan	\$0.0	\$200,000.0	\$200,000.0	\$200,000.0	\$200,000.0	\$200,000.0
TOTALS	\$46,561.7	\$281,643.2	\$287,643.9	\$283,009.3	\$293,632.0	\$291,655.5

Table 4
Department Position Summary by Program (in FTE positions) (4)

	ADJUSTED BASE FY21	AGENCY REQUEST		GOVERNOR'S RECOMMENDATION	
		FY22	FY23	FY22	FY23
1. Supervision of the insurance industry	124.15	124.15	124.15	158.15	158.15
2. Injured patients and families compensation fund	7.11	7.11	7.11	7.11	7.11
4. State life insurance fund	3.57	3.57	3.57	3.57	3.57
TOTALS	134.83	134.83	134.83	168.83	168.83

(4) All positions are State Operations unless otherwise specified

1. State-Based Health Insurance Marketplace

Source of Funds	Agency Request				Governor's Recommendations			
	FY22		FY23		FY22		FY23	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	0	0.00	0	0.00	823,000	10.00	1,052,300	10.00
PR-O	0	0.00	0	0.00	0	0.00	3,000,000	0.00
TOTAL	0	0.00	0	0.00	823,000	10.00	4,052,300	10.00

In an effort to improve healthcare affordability in Wisconsin, the Governor recommends establishing a state-based health insurance marketplace under the federal Affordable Care Act. The Governor recommends first moving to a state-based marketplace on the federal platform by plan year 2023 while transitioning to a fully state-based marketplace by plan year 2024 to improve health insurance marketing and outreach efforts, increase state revenue, and gain more state autonomy over aspects of the health insurance marketplace such as open enrollment duration and the quality of plans offered.

2. Public Option Health Plan

Source of Funds	Agency Request				Governor's Recommendations			
	FY22		FY23		FY22		FY23	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	0	0.00	0	0.00	900,000	0.00	0	0.00
PR-O	0	0.00	0	0.00	0	0.00	900,000	0.00
TOTAL	0	0.00	0	0.00	900,000	0.00	900,000	0.00

The Governor recommends creating and offering a public option health insurance plan to improve healthcare coverage and affordability by no later than January 1, 2025, or no later than January 1, 2022, if the federal Affordable Care Act is no longer enforceable. The Governor also recommends the office and the Department of Health Services conduct an analysis and actuarial study for the development of the public option health insurance plan option. See Department of Health Services, Item #2.

3. School District Health Insurance Actuarial Report, Task Force and Implementation Plan

The Governor recommends requiring the Group Insurance Board to conduct an actuarial study assessing potential costs and savings that could be incurred by school districts and plan participants if all Wisconsin school districts were required to participate in the Department of Employee Trust Funds' Group Health Insurance Program, effective January 1, 2024. The Governor also recommends establishing a task force overseen by the office, in collaboration with the Department of Employee Trust Funds, to develop and submit a potential implementation plan to the Governor and the Joint Committee on Finance by December 31, 2022. See Department of Employee Trust Funds, Item #1; and Department of Public Instruction, Item #32.

4. State-Based Marketplace Premium Assistance

The Governor recommends directing the office to develop a health insurance premium assistance program for those between 138 percent and 250 percent of the federal poverty level who enroll in silver tier plans on the individual health insurance marketplace to make health insurance more accessible to those with lower incomes and to incentivize eligible individuals to acquire all health insurance cost reductions available.

5. Prescription Drug Affordability Review Board

The Governor recommends establishing a Prescription Drug Affordability Review Board to observe practices in the pharmaceutical industry, analyze other state and national prescription drug practices and policies, establish public sector entity spending limits, and set price ceilings on certain prescription drugs when necessary in order to track and limit unnecessary and predatory increases in prescription drug costs.

6. Office of Prescription Drug Affordability

Source of Funds	Agency Request				Governor's Recommendations			
	FY22		FY23		FY22		FY23	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-O	0	0.00	0	0.00	1,701,000	16.00	1,533,900	16.00
TOTAL	0	0.00	0	0.00	1,701,000	16.00	1,533,900	16.00

The Governor recommends establishing an Office of Prescription Drug Affordability within the office to administer prescription drug regulatory provisions included in this executive budget and to further analyze and develop policy initiatives aimed at reducing prescription drug costs and increasing affordability.

7. Insulin Copayment Cap

The Governor recommends limiting out-of-pocket costs for a one-month supply of insulin to \$50 under all health insurance plans offered in Wisconsin.

8. Insulin Safety Net Program

The Governor recommends establishing an insulin safety net program to ensure those with an urgent need for insulin as well as those with lower incomes and limited to no insurance coverage have access to affordable insulin. Under this provision, the office would be directed to contract directly with insulin manufacturers to ensure the availability of insulin at a reduced cost to eligible individuals. The Governor also recommends directing the office to conduct public outreach to create awareness of the insulin safety net program and develop satisfaction surveys to track the effectiveness of the program.

9. Prescription Drug Importation Program

The Governor recommends importing generic, off-brand drugs from Canada into Wisconsin to reduce rising prices of prescription drugs and create a more competitive prescription drug market. Imported drugs must generate significant savings, have no more than three domestic competitors and maintain federal safety requirements.

10. Prescription Drug Purchasing Entity Study

The Governor recommends the office conduct a study into the feasibility and effectiveness of coordinating a state-run prescription drug purchasing entity for state and local government payers or purchasers and any additional payers or purchasers that may wish to participate in an effort to identify additional opportunities to reduce prescription drug costs.

11. Reinsurance Program State Subsidy Reestimate

Source of Funds	Agency Request				Governor's Recommendations			
	FY22		FY23		FY22		FY23	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	-14,228,900	0.00	-14,228,900	0.00	-14,228,900	0.00	-14,228,900	0.00
PR-F	14,228,900	0.00	14,228,900	0.00	14,228,900	0.00	14,228,900	0.00
TOTAL	0	0.00	0	0.00	0	0.00	0	0.00

The Governor recommends adjusting the office's base budget to reflect a reestimate of reinsurance payments provided to insurers under the Wisconsin Healthcare Stability Plan to pay for high-cost individuals on the federal marketplace exchange.

12. Prescription Drug Supply Chain Regulation

Source of Funds	Agency Request				Governor's Recommendations			
	FY22		FY23		FY22		FY23	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-O	0	0.00	0	0.00	692,600	7.50	617,800	7.50
TOTAL	0	0.00	0	0.00	692,600	7.50	617,800	7.50

To provide oversight over the prescription drug supply chain, the Governor recommends requiring pharmacy benefit managers, pharmacy benefit management brokers and consultants, pharmacy services administration organizations, and pharmaceutical sales representatives be licensed to practice in the state. The Governor also recommends pharmaceutical sales representatives complete continuing education in ethical standards, whistleblower protections, and the laws and rules applicable to pharmaceutical marketing; disclose any contacts made with healthcare professionals; and disclose any items, including a product sample, compensation, material or gift, provided to a healthcare professional. The Governor further recommends prohibiting pharmacy benefit managers from restricting or penalizing pharmacies from disclosing any differential between the out-of-pocket cost a plan holder would pay for a prescription drug purchased on or off the individual's insurance plan and prohibiting pharmacy benefit managers and other third-party payers from charging plan holders, at the point of sale, an amount that is more than the lowest of those two. Finally, the Governor recommends establishing a framework for acceptable prescription drug claim reductions or denials and establishing requirements that pharmacy benefit managers must adhere to when conducting audits of pharmacists and pharmacies to create more equitable market conditions.

13. Prescription Drug Supply Chain Transparency and Reporting

The Governor recommends requiring insurers, prescription drug manufacturers, pharmacy benefit managers and pharmacy services administration organizations to justify certain price and rate increases, disclose production and marketing costs, and report on any rebates received to track prescription drug price increases and stop price gouging. The Governor also recommends requiring manufacturers to report information on any assistance programs they sponsor and requiring the office to publish documentation and an annual report publicly disclosing reported prescription drug price justifications and emerging trends in prescription drug prices.

14. Pharmacy Benefits Manager Fiduciary Duty

The Governor recommends requiring pharmacy benefit managers to owe a fiduciary duty to insurers and other payers with whom they contract to reduce the potential for unnecessary cost increases within the prescription drug market.

15. Application of Pharmaceutical Drug Manufacturer Discounts

The Governor recommends requiring prescription drug cost reductions received from prescription drug manufacturer coupons and other discounts to count towards a plan holder's deductible or out-of-pocket maximum. Only discounts for brand name drugs that have no generic equivalent and brand name drugs that have undergone prior authorization by a prescriber or the insurer are eligible in order to avoid incentivizing the purchasing of more expensive brand name drugs over their generic equivalents.

16. Pharmacy Benefits Tool Grants

Source of Funds	Agency Request				Governor's Recommendations			
	FY22		FY23		FY22		FY23	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	0	0.00	0	0.00	0	0.00	500,000	0.00
TOTAL	0	0.00	0	0.00	0	0.00	500,000	0.00

The Governor recommends providing funding for grants to healthcare systems for the development of a patient pharmacy benefits tool. This tool would allow the prescriber to take into consideration out-of-pocket costs of all available prescription options under a patient's health insurance plan. The Governor also recommends that all eligible participating healthcare systems provide a matching rate of 50 percent.

17. Reimbursement Regulation of the 340B Program

The Governor recommends requiring pharmacy benefit managers and other third-party payers to reimburse certain federal 340B drug discount program participants for prescription drug purchases at the same rate that non-340B program participants are reimbursed to end discriminatory reimbursement practices.

18. Hospital Reporting for 340B Program Participants

The Governor recommends requiring hospitals that participate in the federal 340B drug discount program to report the margin of each discounted drug, or difference between the net cost of each drug and the net payment by the hospital; the number of units dispensed at that margin; and how the margin revenue was used.

19. Value-Based Diabetes Medication Pilot Program

The Governor recommends directing the office to establish a value-based diabetes medication pilot program which would have a pharmacy benefit manager and a pharmaceutical manufacturer establish a value-based arrangement and allow the pharmacy benefit manager to leverage prescription drug discounts by creating a sole source arrangement with the given manufacturer.

20. Health Insurance Issuance and Coverage Protections

To ensure that all Wisconsin residents receive the same health insurance issuance and coverage protections, the Governor recommends that the insurance marketplace guarantee the issuance of health insurance for individuals that apply for coverage regardless of sexual orientation, gender identity, health status, medical history or preexisting conditions, among others, and be prohibited from charging greater premiums or out-of-pocket costs based on those factors. The Governor also recommends prohibiting health insurance providers from establishing annual or lifetime limits on health insurance plan benefits. The Governor further recommends requiring all health insurance plans to provide coverage for essential health benefits as determined by the commissioner, including the ten essential health benefits categories covered under the federal Affordable Care Act, and to provide coverage for certain preventive services at no cost to the plan holder.

21. Telehealth Parity

The Governor recommends establishing parity provisions to ensure patients utilizing telehealth services are not charged or have their services limited any more than if they utilized an equivalent in-person service to increase the availability and affordability of telehealth services.

22. Balance Billing Regulation

The Governor recommends regulating the practice of balance billing, also referred to as surprise billing, in situations where patients have little or no control or knowledge over who provides their care, such as when emergency services are delivered by an out-of-network provider and ancillary services are delivered at an in-network facility by an out-of-network provider. The Governor also recommends that healthcare providers deliver a good-faith cost estimate of services to the patient before those services are delivered.

23. Short-Term, Limited Duration Insurance Plan Regulation

The Governor recommends modifying the initial and aggregate plan duration for short-term, limited duration health insurance plans from 12 months to 3 months and from 18 months to 6 months, respectively.

24. Prescription Drug Consumer Protections

The Governor recommends granting rule-making authority to the Department of Agriculture, Trade and Consumer Protection over the state's Fraudulent Drug Advertising law and including a provision prohibiting prescription drug advertisers from utilizing unfair practices alongside existing prohibitions on untrue, deceptive or misleading representations of the effects of the drugs to restrict improper prescription drug marketing and advertising practices. See Department of Agriculture, Trade and Consumer Protection, Item #32.

25. Volunteerism Option for Pharmacist Continuing Education

The Governor recommends allowing 10 hours of the required 30 hours of pharmacist continuing education to be met through volunteering at a free and charitable clinic.

26. Healthcare Outreach

Source of Funds	Agency Request				Governor's Recommendations			
	FY22		FY23		FY22		FY23	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-O	0	0.00	0	0.00	500,000	0.00	500,000	0.00
TOTAL	0	0.00	0	0.00	500,000	0.00	500,000	0.00

The Governor recommends increasing expenditure authority to increase navigator outreach and help consumers navigate the individual health insurance marketplace.

27. Education on Worker Misclassification

The Governor recommends requiring the Department of Workforce Development to develop and make available to employers and on its Web site information regarding worker classification laws, requirements and penalties for noncompliance. The Governor also recommends requiring that outreach and education regarding worker misclassification be provided to certain entities as follows: (a) requiring the Department of Administration to coordinate with state agencies to conduct outreach to entities that serve vulnerable populations; (b) requiring the Office of the Commissioner of Insurance to conduct outreach and provide education, at least annually, to insurers and other relevant entities; and (c) requiring the Department of Financial Institutions to provide informational materials and resources on worker misclassification with new business registrations. The Governor further recommends that such outreach include information regarding the rules, requirements, reporting procedures and penalties surrounding worker misclassification. See Department of Administration, Item #37; Department of Financial Institutions, Item #10; and Department of Workforce Development, Item #15.

28. Agency Equity Officer

Source of Funds	Agency Request				Governor's Recommendations			
	FY22		FY23		FY22		FY23	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-O	0	0.00	0	0.00	31,100	0.50	44,700	0.50
TOTAL	0	0.00	0	0.00	31,100	0.50	44,700	0.50

The Governor recommends creating a new agency equity officer position within the Office of the Commissioner. The agency equity officer will collaborate with the Chief Equity Officer within the Department of Administration and agency equity officers within other agencies to identify opportunities to advance equity in government operations, including determining how current government practices and policies impact communities of color and individuals with disabilities. See Department of Administration, Item #1; Department of Agriculture, Trade and Consumer Protection, Item #38; Department of Children and Families, Item #26; Department of Corrections, Item #26; Department of Financial Institutions, Item #13; Department of Health Services, Item #109; Department of Justice, Item #30; Department of Military Affairs, Item #9; Department of Natural Resources, Item #51; Department of Public Instruction, Item #31; Department of Revenue, Item #43; Department of Safety and Professional Services, Item #6; Department of Tourism, Item #8; Department of Transportation, Item #42; Department of Veterans Affairs, Item #6; Department of Workforce Development, Item #36; and Public Service Commission, Item #20.

29. Injured Patients and Families Compensation Fund System Solution

Source of Funds	Agency Request				Governor's Recommendations			
	FY22		FY23		FY22		FY23	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
SEG-O	5,878,000	0.00	1,242,900	0.00	7,226,900	0.00	1,748,900	0.00
TOTAL	5,878,000	0.00	1,242,900	0.00	7,226,900	0.00	1,748,900	0.00

The Governor recommends increasing expenditure authority to improve the injured patients and families compensation fund information technology infrastructure. This system improvement is required to properly maintain medical malpractice account balances, conduct refunds, analyze data, process required forms and ensure all providers required to obtain medical malpractice coverage under state law meet this requirement before being licensed to practice.

30. Fully Fund the Board on Aging and Long-Term Care's Medigap Helpline

Source of Funds	Agency Request				Governor's Recommendations			
	FY22		FY23		FY22		FY23	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-O	5,800	0.00	6,300	0.00	5,800	0.00	6,300	0.00
TOTAL	5,800	0.00	6,300	0.00	5,800	0.00	6,300	0.00

The Governor recommends adjusting expenditure authority to reflect a reestimate of the costs of the Board on Aging and Long-Term Care's Medigap Helpline that provides seniors with information on health insurance options.

31. Conversion of Project Position to Permanent

Source of Funds	Agency Request				Governor's Recommendations			
	FY22		FY23		FY22		FY23	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-O	81,300	0.00	81,300	0.00	81,300	1.00	81,300	1.00
TOTAL	81,300	0.00	81,300	0.00	81,300	1.00	81,300	1.00

The Governor recommends converting 1.0 FTE PR project position to a permanent position within the Division of Financial Regulation to support the office in meeting new accreditation standards.

32. Standard Budget Adjustments

Source of Funds	Agency Request				Governor's Recommendations			
	FY22		FY23		FY22		FY23	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-O	62,700	0.00	62,700	0.00	54,200	-1.00	54,200	-1.00
SEG-O	-27,100	0.00	-27,100	0.00	-27,100	0.00	-27,100	0.00
TOTAL	35,600	0.00	35,600	0.00	27,100	-1.00	27,100	-1.00

The Governor recommends adjusting the office's base budget for: (a) turnover reduction (-\$264,300 in each year); (b) removal of noncontinuing elements from the base (-\$89,800 and -1.0 FTE position in each year); (c) full funding of continuing position salaries and fringe benefits (\$301,800 in each year); and (d) full funding of lease and directed moves costs (\$79,400 in each year).

