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Senate approves guv's reinsurance plan

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The Senate voted 23-9 Tuesday to approve the guv's plan to create a reinsurance program for those Wisconsinites who purchase their health care through the federal individual marketplace.

The vote clears the way for the bill to head to the Assembly, which also planned to take it up as part of Tuesday's calendar.

The bill would direct the Office of the Commissioner of Insurance to file a waiver request with the federal government to create the reinsurance program beginning Jan. 1. The program would then cover 50 percent to 80 percent of claims between $50,000 and $250,000 for those on the individual market. The Walker administration says by covering those claims, it would provide stability in the market and drive down costs for the more than 200,000 Wisconsinites who are covered through the market.

Walker's original plan called for the Department of Health Services to find the state share of the plan through savings of at least $50 million from the Medicaid program. But that lapse could be as high as $80 million depending on how much of the program the federal government covered.

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The bill was amended to strip out the state funding portion of the plan in 2018-19. That's because the payment would not be required until 2019-20, which is in the next budget.

Other provisions include:

*capping the program costs at $200 million a year unless the Joint Finance

Committee approces increasing the limit.

*requiring the Office of the Commissioner of Insurance to recommend to the guv future waiver requests that look at creating a high-risk pool, funding health of health consumer savings accounts and other options backers said would stabilize the insurance market.

*clarifying under state law that legislative approval would be needed for a full expansion of Medicaid under Obamacare.