

## ADMINISTRATIVE RULES Fiscal Estimate & Economic Impact Analysis

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1. Type of Estimate and Analysis

Original    Updated    Corrected

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2. Administrative Rule Chapter, Title and Number

Ch. Ins 6.91 to 6.99

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3. Subject

Navigators, nonnavigator assisters and related entities

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4. Fund Sources Affected

GPR    FED    PRO    PRS    SEG    SEG-S

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5. Chapter 20, Stats. Appropriations Affected

None

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6. Fiscal Effect of Implementing the Rule

No Fiscal Effect    Increase Existing Revenues    Increase Costs  
 Indeterminate    Decrease Existing Revenues    Could Absorb Within Agency's Budget  
 Decrease Cost

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7. The Rule Will Impact the Following (Check All That Apply)

State's Economy    Specific Businesses/Sectors  
 Local Government Units    Public Utility Rate Payers  
 Small Businesses (if checked, complete Attachment A)

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8. Would Implementation and Compliance Costs Be Greater Than \$20 million?

Yes    No

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9. Policy Problem Addressed by the Rule

Ensuring the persons working on behalf of the federal exchange are of good character, have proper training and have sufficient oversight as navigators and nonnavigator assisters will have access to consumer's financial information.

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10. Summary of the businesses, business sectors, associations representing business, local governmental units, and individuals that may be affected by the proposed rule that were contacted for comments.

Navigators, nonnavigator assisters and related entities and possibly health care providers offering such assistance.

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11. Identify the local governmental units that participated in the development of this EIA.

None

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12. Summary of Rule's Economic and Fiscal Impact on Specific Businesses, Business Sectors, Public Utility Rate Payers, Local Governmental Units and the State's Economy as a Whole (Include Implementation and Compliance Costs Expected to be Incurred)

The navigators and navigator entities have licensing or registration fees, costs for individual background checks and pre-licensing education classes. Nonnavigator assisters and entities have pre-licensing education class fees. As a condition of licensing have received federal funding to off-set costs of their contract.

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13. Benefits of Implementing the Rule and Alternative(s) to Implementing the Rule

The rule provides consistent oversight for similarly situated organizations and ensures the public receives accurate information and personal financial information is securely handled.

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14. Long Range Implications of Implementing the Rule

None.

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15. Compare With Approaches Being Used by Federal Government

The requirements dove-tail with federal requirements and ensure Wisconsin consumers are protected. The rule does not duplicate federal requirements but ensures navigators and nonnavigator assisters are familiar with health insurance and public assistance programs available in the state.

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16. Compare With Approaches Being Used by Neighboring States (Illinois, Iowa, Michigan and Minnesota)

The approach is very similar to laws or regulations passed in Iowa, Minnesota and Illinois, Michigan does not have such a law or regulation.

**ADMINISTRATIVE RULES**  
**Fiscal Estimate & Economic Impact Analysis**

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18. Contact Phone Number

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## ADMINISTRATIVE RULES Fiscal Estimate & Economic Impact Analysis

### ATTACHMENT A

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1. Summary of Rule's Economic and Fiscal Impact on Small Businesses (Separately for each Small Business Sector, Include Implementation and Compliance Costs Expected to be Incurred)

The proposed rule may affect small businesses that perform outreach services to consumers to assist in educating consumers about the federal health exchange. The navigators were awarded federal grants and the nonnavigator assister entities are registered with the federal government. Both the navigators and nonnavigator assister entities will provide assistance and education to consumers regarding the federal health exchange and will refer consumers to licensed insurance agents should the individuals need advice or additional assistance in applying for the federal exchange or private insurance. The impact of the proposed rule include the fees associated with licensing or registration and 16 hours of pre-licensing training. Navigators are additionally required to complete finger printing and criminal background checks similar to licensed agents and pay an annual licensing fee of \$75. Navigator entities pay an annual registration fee of \$100. Nonnavigator assisters must complete 16 hours pre-licensing education and pass the pre-licensing exam. Both navigator and nonnavigator assister entities must carry a bond or similar coverage to protect against errors that cause consumer harm.

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2. Summary of the data sources used to measure the Rule's impact on Small Businesses

The office held a public hearing on September 27, 2013 regarding the emergency rule that was issued September 10th and published in the Wisconsin Administrative Register on September 15 that included a 14 day comment period. Also the office sought input from interested parties and received comments both during and prior to the emergency rule comment period. Based upon those comments, the office revised the rule to lessen some of the burden for small businesses.

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3. Did the agency consider the following methods to reduce the impact of the Rule on Small Businesses?

- Less Stringent Compliance or Reporting Requirements
- Less Stringent Schedules or Deadlines for Compliance or Reporting
- Consolidation or Simplification of Reporting Requirements
- Establishment of performance standards in lieu of Design or Operational Standards
- Exemption of Small Businesses from some or all requirements
- Other, describe:

The office provided free pre-licensing training to approximately 6,500 persons throughout the state to lessen the cost of the pre-licensing training.

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4. Describe the methods incorporated into the Rule that will reduce its impact on Small Businesses

The office changed the annual reporting dated from September to October to give entities more time, clarified that financial record keeping was only needed if the entities received money from consumers, exempted entities working with or that are governmental entities doing a similar business. Additionally, the office has worked with nonnavigator and navigator entities to facilitate obtaining affordable bond or similar coverage.

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5. Describe the Rule's Enforcement Provisions

The rule may be enforced as a violation of unfair and deceptive trade practice under ss. 601.41, 601.62, 601.64, 601.65, 628.10.

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6. Did the Agency prepare a Cost Benefit Analysis (if Yes, attach to form)

- Yes     No
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