1999 DRAFTING REQUEST

Assembly Amendment (AA-ASA1-AB133)

Received: **06/22/99**

Received By: **kahlepj**

Wanted: **Soon**

Identical to LRB:

For: **Senate Democratic Caucus**

By/Representing: **Walter**

This file may be shown to any legislator: **NO**

Drafter: **kahlepj**

May Contact:

Alt. Drafters:

Subject: **Insurance - health**

Extra Copies:

Pre Topic:

SDC:.....Walter - Caucus #1839,

Topic:

Prohibit managed care plans from requiring referrals for certain services

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Instructions:

See Attached

Drafting History:

Vers.	Drafted	Reviewed	Typed	Proofed	Submitted	Jacketed	Required
/?	kahlepj 06/23/99	jgeller 06/23/99		_____ _____			
/1			martykr 06/25/99	_____ _____	lrb_docadmin 06/25/99		
/2	kahlepj 06/25/99	wjackson 06/25/99	kfollet 06/26/99	_____ _____	ismith 06/27/99		

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/1		12 6/25 WLJ	martykr 06/25/99	_____ _____	lrb_docadmin 06/25/99		

FE Sent For: KJF 6/25 KJF/MRC 6/26

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Instructions:

See Attached

Drafting History:

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FE Sent For:

<END>

SDC

yes

Agency: Insurance

caucus number 1839

duplicate flag:
duplicate with:

Other reference numbers: LFB Sum #:

bill number/amendment number:

LRB draft # 2664/2 LRB P-draft:

description: Relating to prohibiting managed care plans from requiring referrals for obstetric or gynecologic services.

974

other notes

drafting instructions: See attached.

more instructions:

caucus number 2760

duplicate flag:
duplicate with:

Other reference numbers: LFB Sum #:

bill number/amendment number:

LRB draft # 2077 and b0169 LRB P-draft:

description: Integrate LRb 2077 and LRB b0169 to clarify that standard health insurance plans offered to state employes by the group insurance board do not include premium costs related to point-of-service coverage required to be offered in each service area.

other notes

drafting instructions: See attached

more instructions:

Agency: **Insurance** Number of Amendments: 2

SENATE BUDGET AMENDMENT

Agency name: DHFS or OCI

CN 1839

Related Fiscal Bureau papers and motions:

Description: Relating to prohibiting managed care plans from requiring referrals for obstetric or gynecologic services. (Representative Christine Sinicki)

Fiscal effect: indeterminate

Attachments: LRB analysis

Wisconsin
State
Assembly

Christine Sinicki
State Representative

LRB–2664/2

AN ACT to amend 609.05 (2) and 609.05 (3); and to create 609.22 (4m) of the statutes; relating to: prohibiting managed care plans from requiring referrals for obstetric or gynecologic services.

Analysis by the Legislative Reference Bureau

Under current law, a managed care plan (which is a health benefit plan that requires or creates incentives for an enrollee to obtain health care services from providers under contract with or employed by the health benefit plan) may require an enrollee to designate a primary provider from among its participating providers, to obtain health care services from the primary provider whenever reasonably possible and to obtain a referral from the primary provider to another participating provider before obtaining services from that other participating provider. However, current law also requires a managed care plan to establish a procedure whereby an enrollee may obtain a standing referral to obtain services from a participating provider who is a specialist.

This bill provides that a managed care plan that covers obstetric or gynecologic services must cover those services if obtained from a participating provider who is a physician specializing in obstetrics and gynecology by a female enrollee without a referral, even if that participating provider is not the female enrollee's primary provider. In addition, the managed care plan may not require the female enrollee to obtain a standing referral to the participating provider for the coverage. The bill provides that a managed care plan may not penalize or restrict a female enrollee's coverage on account of her having obtained the services without a referral and may not penalize or restrict the contract of a provider on account of his or her having provided the services without a referral. A managed care plan must provide written notice of the requirement in its policies and group certificates and, at open enrollment time, to each female enrollee and each female applicant for coverage.

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TOLL-FREE: 1-888-534-0020 • EMAIL: REP.SINICKI@LEGIS.STATE.WI.US

1999 Date (time) needed SOON (6-23-99) LRB b 0974/1

PJK : WKJ :

CAUCUS BUDGET AMENDMENT
[ONLY FOR CAUCUS]

See form **AMENDMENTS — COMPONENTS & ITEMS.**

CAUCUS AMENDMENT
TO ASSEMBLY SUBSTITUTE AMENDMENT 1
TO 1999 ASSEMBLY BILL 133

>>FOR CAUCUS SUPERAMENDMENT — NOT FOR INTRODUCTION<<

At the locations indicated, amend the substitute amendment as follows:

#. Page 1404, line 15 : after that line insert :

#. Page . . . . , line . . . . :

#. Page . . . . , line . . . . :

#. Page . . . . , line . . . . :

#. Page . . . . , line . . . . :

#. Page . . . . , line . . . . :

not penalize or restrict the contract of a provider on account of his or her having provided the services without a referral. A managed care plan must provide written notice of the requirement in its policies and group certificates and, at open enrollment time, to each female enrollee and each female applicant for coverage.

For further information see the ***state and local*** fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

→ 3036c (b)

"**SECTION 1.** 609.05 (2) of the statutes is amended to read:

609.05 **(2)** Subject to s. 609.22 (4) and (4m), a limited service health organization, preferred provider plan or managed care plan may require an enrollee to designate a primary provider and to obtain health care services from the primary provider when reasonably possible.

→ 3036ff (b)

SECTION 2. 609.05 (3) of the statutes is amended to read:

609.05 **(3)** Except as provided in ss. 609.22 (4m), 609.65 and 609.655, a limited service health organization, preferred provider plan or managed care plan may require an enrollee to obtain a referral from the primary provider designated under sub. (2) to another participating provider prior to obtaining health care services from that participating provider.

→ 3036j (b)

SECTION 3. 609.22 (4m) of the statutes is created to read:

609.22 **(4m)** OBSTETRIC AND GYNECOLOGIC SERVICES. (a) A managed care plan that provides coverage of obstetric or gynecologic services may not require a female enrollee of the managed care plan to obtain a referral for coverage of those services provided by a participating provider who is a physician licensed under ch. 448 and who specializes in obstetrics and gynecology, regardless of whether the participating provider is the enrollee's primary provider. Notwithstanding sub. (4), the managed care plan may not require the enrollee to obtain a standing referral under the

procedure established under sub. (4) (a) for coverage of the services specified in this paragraph.

(b) A managed care plan under par. (a) may not do any of the following:

1. Penalize or restrict the coverage of a female enrollee on account of her having obtained obstetric or gynecologic services in the manner provided under par. (a).

2. Penalize or restrict the contract of a participating provider on account of his or her having provided obstetric or gynecologic services in the manner provided under par. (a).

(c) A managed care plan under par. (a) shall provide written notice of the requirement under par. (a) in ~~each~~ every policy or group certificate issued by the managed care plan and, during each open enrollment period, to ~~each~~ every female enrollee and ~~each~~ female applicant for coverage. »

SECTION 4. Initial applicability.

« (1) INCONSISTENT PROVISIONS. Except as provided in subsection (2), if a policy or certificate that is affected by this act contains terms or provisions that are inconsistent with this act, this act first applies to that policy or certificate upon renewal.

(2) COLLECTIVE BARGAINING AGREEMENT WITH INCONSISTENT PROVISIONS. This act first applies to policies and group certificates covering employes who are affected by a collective bargaining agreement containing provisions that are inconsistent with this act that are issued or renewed on the earlier of the following:

1. The day on which the collective bargaining agreement expires.

2. The day on which the collective bargaining agreement is extended, modified or renewed. »

(END)

#. Page 1592, line 23: after that line insert:

State of Wisconsin
1999 - 2000 LEGISLATURE

LRBb0974/2
PJK:wlj:km
r m in num

SDC:.....Walter – Caucus #1839, Prohibit managed care plans from requiring referrals for certain services

FOR 1999–01 BUDGET — NOT READY FOR INTRODUCTION

CAUCUS AMENDMENT

TO ASSEMBLY SUBSTITUTE AMENDMENT 1,

TO 1999 ASSEMBLY BILL 133

soon (6-25) D-note

At the locations indicated, amend the substitute amendment as follows:

1. Page 1404, line 15: after that line insert:

"**SECTION 3036c.** 609.05 (2) of the statutes is amended to read:

609.05 **(2)** Subject to s. 609.22 (4) and (4m), a limited service health organization, preferred provider plan or managed care plan may require an enrollee to designate a primary provider and to obtain health care services from the primary provider when reasonably possible.

SECTION 3036f. 609.05 (3) of the statutes is amended to read:

609.05 **(3)** Except as provided in ss. 609.22 (4m), 609.65 and 609.655, a limited service health organization, preferred provider plan or managed care plan may

require an enrollee to obtain a referral from the primary provider designated under sub. (2) to another participating provider prior to obtaining health care services from that participating provider.

SECTION 3036j. 609.22 (4m) of the statutes is created to read:

609.22 **(4m)** OBSTETRIC AND GYNECOLOGIC SERVICES. (a) A managed care plan that provides coverage of obstetric or gynecologic services may not require a female enrollee of the managed care plan to obtain a referral for coverage of those services provided by a participating provider who is a physician licensed under ch. 448 and who specializes in obstetrics and gynecology, regardless of whether the participating provider is the enrollee's primary provider. Notwithstanding sub. (4), the managed care plan may not require the enrollee to obtain a standing referral under the procedure established under sub. (4) (a) for coverage of the services specified in this paragraph.

(b) A managed care plan under par. (a) may not do any of the following:

1. Penalize or restrict the coverage of a female enrollee on account of her having obtained obstetric or gynecologic services in the manner provided under par. (a).

2. Penalize or restrict the contract of a participating provider on account of his or her having provided obstetric or gynecologic services in the manner provided under par. (a).

(c) A managed care plan under par. (a) shall provide written notice of the requirement under par. (a) in every policy or group certificate issued by the managed care plan and, during each open enrollment period, to every female enrollee and every female applicant for coverage.".

2. Page 1592, line 23: after that line insert:

"(1m) REFERRALS FOR OBSTETRIC OR GYNECOLOGIC SERVICES.

(a) Except as provided in paragraph (b), if a policy or certificate that is affected by the treatment of sections 609.05 (2) and (3) and 609.22 (4m) of the statutes contains terms or provisions that are inconsistent with the treatment of sections 609.05 (2) and (3) and 609.22 (4m) of the statutes, first applies to that policy or certificate upon renewal.

(b) The treatment of sections 609.05 (2) and (3) and 609.22 (4m) of the statutes first applies to policies and group certificates covering employes who are affected by a collective bargaining agreement containing provisions that are inconsistent with the treatment of sections 609.05 (2) and (3) and 609.22 (4m) of the statutes that are issued or renewed on the earlier of the following:

1. The day on which the collective bargaining agreement expires.

2. The day on which the collective bargaining agreement is extended, modified or renewed.".

(END)

Drafter
This redraft makes a technical correction to the initial applicability provision.
PJK

the treatment of sections 609.05(2) and (3) and 609.22(4m) of the statutes

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRBb0974/2dn
PJK:wlj:kjf

June 25, 1999

This redraft makes a technical correction to the initial applicability provision.

Pamela J. Kahler
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State of Wisconsin
1999 – 2000 LEGISLATURE

LRBb0974/2
PJK:wlj:kjf

SDC:.....Walter – Caucus #1839, Prohibit managed care plans from requiring referrals for certain services

FOR 1999–01 BUDGET — NOT READY FOR INTRODUCTION

CAUCUS AMENDMENT

TO ASSEMBLY SUBSTITUTE AMENDMENT 1,

TO 1999 ASSEMBLY BILL 133

At the locations indicated, amend the substitute amendment as follows:

1. Page 1404, line 15: after that line insert:

"**SECTION 3036c.** 609.05 (2) of the statutes is amended to read:

609.05 **(2)** Subject to s. 609.22 (4) and (4m), a limited service health organization, preferred provider plan or managed care plan may require an enrollee to designate a primary provider and to obtain health care services from the primary provider when reasonably possible.

SECTION 3036f. 609.05 (3) of the statutes is amended to read:

609.05 **(3)** Except as provided in ss. 609.22 (4m), 609.65 and 609.655, a limited service health organization, preferred provider plan or managed care plan may

require an enrollee to obtain a referral from the primary provider designated under sub. (2) to another participating provider prior to obtaining health care services from that participating provider.

SECTION 3036j. 609.22 (4m) of the statutes is created to read:

609.22 **(4m)** OBSTETRIC AND GYNECOLOGIC SERVICES. (a) A managed care plan that provides coverage of obstetric or gynecologic services may not require a female enrollee of the managed care plan to obtain a referral for coverage of those services provided by a participating provider who is a physician licensed under ch. 448 and who specializes in obstetrics and gynecology, regardless of whether the participating provider is the enrollee's primary provider. Notwithstanding sub. (4), the managed care plan may not require the enrollee to obtain a standing referral under the procedure established under sub. (4) (a) for coverage of the services specified in this paragraph.

(b) A managed care plan under par. (a) may not do any of the following:

1. Penalize or restrict the coverage of a female enrollee on account of her having obtained obstetric or gynecologic services in the manner provided under par. (a).

2. Penalize or restrict the contract of a participating provider on account of his or her having provided obstetric or gynecologic services in the manner provided under par. (a).

(c) A managed care plan under par. (a) shall provide written notice of the requirement under par. (a) in every policy or group certificate issued by the managed care plan and, during each open enrollment period, to every female enrollee and every female applicant for coverage.".

2. Page 1592, line 23: after that line insert:

"(1m) REFERRALS FOR OBSTETRIC OR GYNECOLOGIC SERVICES.

(a) Except as provided in paragraph (b), if a policy or certificate that is affected by the treatment of sections 609.05 (2) and (3) and 609.22 (4m) of the statutes contains terms or provisions that are inconsistent with the treatment of sections 609.05 (2) and (3) and 609.22 (4m) of the statutes, the treatment of sections 609.05 (2) and (3) and 609.22 (4m) of the statutes first applies to that policy or certificate upon renewal.

(b) The treatment of sections 609.05 (2) and (3) and 609.22 (4m) of the statutes first applies to policies and group certificates covering employes who are affected by a collective bargaining agreement containing provisions that are inconsistent with the treatment of sections 609.05 (2) and (3) and 609.22 (4m) of the statutes that are issued or renewed on the earlier of the following:

1. The day on which the collective bargaining agreement expires.

2. The day on which the collective bargaining agreement is extended, modified or renewed.".

(END)