

2001 DRAFTING REQUEST

Assembly Substitute Amendment (ASA-AB265)

Received: 04/03/2001

Received By: kahlepj

Wanted: Soon

Identical to LRB:

For: Judith Robson (608) 266-2253

By/Representing: Kathy

This file may be shown to any legislator: NO

Drafter: kahlepj

May Contact:

Addl. Drafters:

Subject: Insurance - health
Health - miscellaneous

Extra Copies:

Submit via email: NO

Requester's email:

Pre Topic:

No specific pre topic given

Topic:

Split in half the current deductibles and out-of-pocket limits in HIRSP between drug expenses and other expenses

Instructions:

See Attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	kahlepj 04/04/2001	gilfokm 04/04/2001		_____			
/P1			jfrantze 04/05/2001	_____	lrb_docadmin 04/05/2001		
/P2	kahlepj	gilfokm		_____			

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
	04/06/2001	04/06/2001		_____			
/1			jfrantze	_____	lrb_docadmin	lrb_docadmin	
			04/09/2001	_____	04/09/2001	04/09/2001	

FE Sent For:

<END>

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/?	kahlepj 04/04/2001	gilfokm 04/04/2001		_____			
/P1		14/ King 6-01	jfrantze 04/05/2001	_____	lrb_docadmin 04/05/2001		

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Split in half the current deductibles and out-of-pocket limits in HIRSP between drug expenses and other expenses

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1/2	kahlepj	1/1-4/ King 1/4-01	264/5	26/1/26 4/5			

FE Sent For:

<END>

submitt

Copy (Robson)

\$ 250	→	\$ 250
\$ 1000		\$ 1000
\$ 2,000		\$ 2,000

split into 2

half & half

149.14(5)(d) remove

149.146

to AB 265

draft a sub that splits the current deductibles & out-of-pocket limits between drug & other expenses

X remove the Dept's authority to charge those amounts in state.



State of Wisconsin
2001 - 2002 LEGISLATURE

LRBs0084/MP1
PJK...
KMG

PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION
ASSEMBLY SUBSTITUTE AMENDMENT,
TO 2001 ASSEMBLY BILL 265

Due
by
Thursday
noon
(if possible)
D-note

gen cont

1 AN ACT *y*; relating to: copayments for prescription drug coverage, deductibles,
2 coinsurance, and out-of-pocket limits under the health insurance risk-sharing
3 plan and providing an exemption from emergency rule procedures.

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

4 SECTION 1. 149.14 (5) (title) of the statutes is amended to read:

5 149.14 (5) (title) DEDUCTIBLES, COPAYMENTS AND, COINSURANCE, AND
6 OUT-OF-POCKET LIMITS.

History: 1979 c. 313; 1981 c. 39 s. 22; 1981 c. 83; 1981 c. 314 ss. 117, 146; 1983 a. 27; 1985 a. 29 s. 3202 (30); 1985 a. 332 s. 253; 1987 a. 27, 239; 1989 a. 332; 1991 a. 39, 269; 1995 a. 463; 1997 a. 27 ss. 3026c, 4847 to 4859; Stats. 1997 s. 149.14; 1997 a. 237; 1999 a. 9, 165.

7 SECTION 2. 149.14 (5) (a) of the statutes is amended to read:

8 149.14 (5) (a) The plan shall offer a deductible in combination with appropriate
9 premiums determined under this chapter for major medical expense coverage
10 required under this section. For coverage offered to those persons eligible for

1 medicare the plan shall offer a deductible equal to the deductible charged by part A
 2 of title XVIII of the federal social security act, as amended. The deductible amounts
 3 for all other eligible persons shall be dependent upon household income as
 4 determined under s. 149.165. For eligible persons under s. 149.165 (2) (a) 1., the
 5 deductible for covered costs under sub. (3) (d) shall be ~~\$500~~ \$250 and the deductible
 6 for all other covered costs combined shall be \$250. For eligible persons under s.
 7 149.165 (2) (a) 2., the deductible for covered costs under sub. (3) (d) shall be ~~\$600~~ \$300
 8 and the deductible for all other covered costs combined shall be \$300. For eligible
 9 persons under s. 149.165 (2) (a) 3., the deductible for covered costs under sub. (3) (d)
 10 shall be ~~\$700~~ \$350 and the deductible for all other covered costs combined shall be
 11 \$350. For eligible persons under s. 149.165 (2) (a) 4., the deductible for covered costs
 12 under sub. (3) (d) shall be ~~\$800~~ \$400 and the deductible for all other covered costs
 13 combined shall be \$400. For all other eligible persons who are not eligible for
 14 medicare, the deductible for covered costs under sub. (3) (d) shall be ~~\$1,000~~ \$500 and
 15 the deductible for all other covered costs combined shall be \$500. With respect to all
 16 eligible persons, expenses used to satisfy ~~the a~~ deductible during the last 90 days of
 17 a calendar year shall also be applied to satisfy ~~the~~ that deductible for the following
 18 calendar year.

History: 1979 c. 313; 1981 c. 39 s. 22; 1981 c. 83; 1981 c. 314 ss. 117, 146; 1983 a. 27; 1985 a. 29 s. 3202 (30); 1985 a. 337 c. 753; 1987 a. 27, 239; 1989 a. 332; 1991 a.
 39, 269; 1995 a. 463; 1997 a. 27 ss. 3026c, 4847 to 4859; Stats. 1997 s. 149.14; 1997 a. 237; 1999 a. 9, 165.

19 **SECTION 3.** 149.14 (5) (b) of the statutes is renumbered 149.14 (5) (b) 1. and

20 amended to read:

21 149.14 (5) (b) 1. Except as provided in par. (c) 1, if the covered costs incurred
 22 by ~~the an~~ an eligible person who is eligible for medicare exceed the deductible for major

1 medical expense coverage in a calendar year, the plan shall pay at least 80% of any
2 additional covered costs incurred by the eligible person during the calendar year.

History: 1979 c. 313; 1981 c. 39 s. 22; 1981 c. 83; 1981 c. 314 ss. 117, 146; 1983 a. 27; 1985 a. 29 s. 3202 (30); 1985 a. 332 s. 253; 1987 a. 27, 239; 1989 a. 332; 1991 a. 39, 269; 1995 a. 463; 1997 a. 27 ss. 3026c, 4847 to 4859; Stats. 1997 s. 149.14; 1997 a. 237; 1999 a. 9, 165.

3 SECTION 4. 149.14 (5) (b) 2. of the statutes is created to read:

4 149.14 (5) (b) 2. Except as provided in par. (c) 2., if the covered costs under sub.
5 (3) (d) that are incurred by an eligible person who is not eligible for medicare exceed
6 the deductible for those covered costs in a calendar year, the plan shall pay at least
7 80% of any additional covered costs under sub. (3) (d) that are incurred by the eligible
8 person during the calendar year.

9 SECTION 5. 149.14 (5) (b) 3. of the statutes is created to read:

10 149.14 (5) (b) 3. Except as provided in par. (c) 3., if the covered costs other than
11 those ~~specified in sub. (3) (d)~~ that are incurred by an eligible person who is not eligible
12 for medicare exceed the deductible for those covered costs in a calendar year, the plan
13 shall pay at least 80% of any additional covered costs other than those ~~specified in~~
14 ~~sub. (3) (d)~~ that are incurred by the eligible person during the calendar year.

under sub. (3) (d)

15 SECTION 6. 149.14 (5) (c) of the statutes is renumbered 149.14 (5) (c) 1. and
16 amended to read:

17 149.14 (5) (c) 1. If the aggregate of the covered costs not paid by the plan under
18 par. (b) 1. and the deductible exceeds \$500 during a calendar year for an eligible
19 person receiving medicare, \$2,000 for any other eligible person during a calendar
20 year or \$4,000 for all eligible persons in a family who is eligible for medicare, the plan
21 shall pay 100% of all covered costs incurred by the eligible person during the calendar
22 year after the payment ceilings ceiling under this paragraph are subdivision is
23 exceeded.

History: 1979 c. 313; 1981 c. 39 s. 22; 1981 c. 83; 1981 c. 314 ss. 117, 146; 1983 a. 27; 1985 a. 29 s. 3202 (30); 1985 a. 332 s. 253; 1987 a. 27, 239; 1989 a. 332; 1991 a. 39, 269; 1995 a. 463; 1997 a. 27 ss. 3026c, 4847 to 4859; Stats. 1997 s. 149.14; 1997 a. 237; 1999 a. 9, 165.

1 SECTION 7. 149.14 (5) (c) 2. of the statutes is created to read:

2 149.14 (5) (c) 2. If the aggregate of the covered costs under sub. (3) (d) that are
3 not paid by the plan under par. (b) 2. ✓ and the deductible for the covered costs under
4 sub. (3) (d) exceeds \$1,000 during a calendar year for an eligible person who is not
5 eligible for medicare, or \$2,000 for all such eligible persons in a family, the plan shall
6 pay 100% of all covered costs under sub. (3) (d) that are incurred by the eligible person
7 during the calendar year after the applicable payment ceiling under this subdivision
8 is exceeded.

9 SECTION 8. 149.14 (5) (c) 3. of the statutes is created to read:

10 149.14 (5) (c) 3. If the aggregate of the covered costs ~~not specified in sub. (3) (d)~~
11 that are not paid by the plan under par. (b) 3. ✓ and the deductible for the covered costs
12 ~~not specified in sub. (3) (d)~~ exceeds \$1,000 during a calendar year for an eligible person
13 who is not eligible for medicare, or \$2,000 for all such eligible persons in a family, the
14 plan shall pay 100% of all covered costs ~~not specified in sub. (3) (d)~~ that are incurred by
15 the eligible person during the calendar year after the applicable payment ceiling
16 under this subdivision is exceeded.

17 SECTION 9. 149.14 (5) (d) ✓ of the statutes is repealed.

18 SECTION 10. 149.14 (5) (e) of the statutes is amended to read:

19 149.14 (5) (e) Subject to sub. (8) (b), the department may, by rule under s. 149.17
20 (4), establish copayments for prescription drug coverage under sub. (3) (d). Any
21 copayment amounts or rates established are subject to the approval of the board.
22 Copayments under this paragraph that are paid by an eligible person under this

other than those under sub. (3) (d)

1 paragraph who is eligible for medicare shall count toward the deductible and covered
2 costs not paid by the plan under pars. (a) ~~to (e)~~, (b) 1., and (c) 1.

History: 1979 c. 313; 1981 c. 39 s. 22; 1981 c. 83; 1981 c. 314 ss. 117, 146; 1983 a. 27; 1985 a. 29 s. 3202 (30); 1985 a. 332 s. 253; 1987 a. 27, 239; 1989 a. 332; 1991 a. 39, 269; 1995 a. 463; 1997 a. 27 ss. 3026c, 4847 to 4859; Stats. 1997 s. 149.14; 1997 a. 237; 1999 a. 9, 165.

3 SECTION 11. 149.146 (2) (am) 1. of the statutes is amended to read:

4 149.146 (2) (am) 1. For all eligible persons with coverage under this section,
5 the deductible for prescription drug coverage shall be \$1,250 and the deductible for
6 all other covered costs combined shall be \$2,500 \$1,250. Expenses used to satisfy ~~the~~
7 a deductible during the last 90 days of a calendar year shall also be applied to satisfy
8 the that deductible for the following calendar year.

History: 1997 a. 27 ss. 4860c, 4860d; Stats. 1997 s. 149.146; 1997 a. 237; 1999 a. 9, 165.

9 SECTION 12. 149.146 (2) (am) 2. of the statutes is renumbered 149.146 (2) (am)
10 2. a. and amended to read:

11 149.146 (2) (am) 2. a. Except as provided in subd. 3. a., if the covered costs for
12 prescription drugs that are incurred by the an eligible person exceed the deductible
13 for major medical expense prescription drug coverage in a calendar year, the plan
14 shall pay at least 80% of any additional covered costs for prescription drugs that are
15 incurred by the eligible person during the calendar year.

History: 1997 a. 27 ss. 4860c, 4860d; Stats. 1997 s. 149.146; 1997 a. 237; 1999 a. 9, 165.

16 SECTION 13. 149.146 (2) (am) 2. b. of the statutes is created to read:

17 149.146 (2) (am) 2. b. Except as provided in subd. 3. b., if the covered costs other
18 than ~~those prescribed in subd. 2.~~ that are incurred by an eligible person exceed the
19 deductible for those covered costs in a calendar year, the plan shall pay at least 80%
20 of any additional covered costs other than ~~those prescribed in subd. 2.~~ that are incurred
21 by the eligible person during the calendar year.

22 SECTION 14. 149.146 (2) (am) 3. of the statutes is renumbered 149.146 (2) (am)

23 3. a. and amended to read:

These are for prescription drugs

1 149.146 (2) (am) 3. a. If the aggregate of the covered costs for prescription drugs
 2 that are not paid by the plan under subd. 2. a. and the deductible for prescription
 3 drug coverage exceeds ~~\$3,500~~ \$1,750 for any eligible person during a calendar year
 4 or ~~\$7,000~~ \$3,500 for all eligible persons in a family, the plan shall pay 100% of all
 5 covered costs for prescription drugs that are incurred by the eligible person during
 6 the calendar year after the applicable payment ceilings ceiling under this
 7 subdivision are subd. 3. a. is exceeded.

History: 1997 a. 27 ss. 4860c, 4860d; Stats. 1997 s. 149.146; 1997 a. 237; 1999 a. 9, 165.

8 SECTION 15. 149.146 (2) (am) 3. b. of the statutes is created to read:

9 149.146 (2) (am) 3. b. If the aggregate of the covered costs other than ~~those~~
 10 ~~specified in subd. 2. a.~~ that are not paid by the plan under subd. 2. b. and the
 11 deductible for the covered costs other than ~~those specified in subd. 2. a.~~ exceeds
 12 \$1,750 for any eligible person during a calendar year or \$3,500 for all eligible persons
 13 in a family, the plan shall pay 100% of all covered costs other than ~~those specified in~~
 14 ~~subd. 2. a.~~ that are incurred by the eligible person during the calendar year after the
 15 applicable payment ceiling under this subd. 3. b. is exceeded.

for prescription drugs

16 SECTION 16. 149.146 (2) (am) 4. of the statutes is repealed.

17 SECTION 17. 149.146 (2) (am) 5. of the statutes is created to read:

18 149.146 (2) (am) 5. Subject to s. 149.14 (8) (b), the department may, by rule
 19 under s. 149.17 (4), establish copayments for prescription drug coverage under this
 20 section. Any copayment amounts or rates established are subject to the approval of
 21 the board.

22 SECTION 18. Nonstatutory provisions.

23 (1) RULES ON DRUG COPAYMENTS. The department of health and family services
 24 may use the procedure under section 227.24 of the statutes to promulgate rules

1 authorized under section 149.14 (5) (e) of the statutes, as affected by this act, and
2 section 149.146 (2) (am) 5. of the statutes, as created by this act. Notwithstanding
3 section 227.24 (1) (a), (2) (b), and (3) of the statutes, the department is not required
4 to provide evidence that promulgating a rule under this subsection as an emergency
5 rule is necessary for the preservation of public peace, health, safety, or welfare and
6 is not required to provide a finding of emergency for a rule promulgated under this
7 subsection.

8 **SECTION 19. Initial applicability.**

9 (1) This act first applies to policies under the health insurance risk-sharing
10 plan that are issued or renewed on the effective date of this subsection.

11 (END)

D. [unclear]

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRBs0084/dn P1
PJK.....
mg

Kathy:

As we discussed, you may want to specify different deductibles for persons eligible for medicare. If so, those deductibles would be split between prescription drug coverage and other coverage as they are in this draft for persons not eligible for medicare. *who are*

Pamela J. Kahler
Senior Legislative Attorney
Phone: (608) 266-2682
E-mail: pam.kahler@legis.state.wi.us

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRBs0084/P1dn
PJK:kmg:jf

April 5, 2001

Kathy:

As we discussed, you may want to specify different deductibles for persons who are eligible for medicare. If so, those deductibles would be split between prescription drug coverage and other coverage as they are in this draft for persons who are not eligible for medicare.

Pamela J. Kahler
Senior Legislative Attorney
Phone: (608) 266-2682
E-mail: pam.kahler@legis.state.wi.us



State of Wisconsin
2001 - 2002 LEGISLATURE

LRBs0084/11

PJK:kmg:jf

rm not
run to "1"
(but is run
to P2)

~~PRELIMINARY DRAFT NOT READY FOR INTRODUCTION~~

ASSEMBLY SUBSTITUTE AMENDMENT,

TO 2001 ASSEMBLY BILL 265

by Monday
8:00 am

regenerate
↓
or coinsurance

1 AN ACT *to repeal* 149.14 (5) (d) and 149.146 (2) (am) 4.; *to renumber and*
2 *amend* 149.14 (5) (b), 149.14 (5) (c), 149.146 (2) (am) 2. and 149.146 (2) (am) 3.;
3 *to amend* 149.14 (5) (title), 149.14 (5) (a), 149.14 (5) (e) and 149.146 (2) (am)
4 1.; and *to create* 149.14 (5) (b) 2., 149.14 (5) (b) 3., 149.14 (5) (c) 2., 149.14 (5)
5 (c) 3., 149.146 (2) (am) 2. b., 149.146 (2) (am) 3. b. and 149.146 (2) (am) 5. of the
6 statutes; **relating to:** copayments for prescription drug coverage, deductibles,
7 coinsurance, and out-of-pocket limits under the health insurance risk-sharing
8 plan and providing an exemption from emergency rule procedures.

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

9 SECTION 1. 149.14 (5) (title) of the statutes is amended to read:
10 149.14 (5) (title) DEDUCTIBLES, COPAYMENTS AND, COINSURANCE, AND
11 OUT-OF-POCKET LIMITS.

2001-2002 DRAFTING INSERT
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRBs0084/P2ins
PJK.kmg:jf

LPS:
↓
Replace the
remainder of

LPS:
↓
This is
named:

Replacement insert

the
draft w/ the
following
pages

19.14 (5) (a) of the statutes is amended to read:

The plan shall offer a deductible in combination with appropriate
deductible under this chapter for major medical expense coverage
required under this section. The deductible shall apply only to covered costs other
than those under sub. (3) (d), for which copayments or coinsurance shall apply. For
coverage offered to those persons who are eligible for medicare, the plan shall offer
a deductible equal to the deductible charged by part A of title XVIII of the federal
social security act, as amended deductible amount shall be \$250. The deductible
amounts for all other eligible persons shall be dependent upon household income as
determined under s. 149.165. For eligible persons under s. 149.165 (2) (a) 1., the
deductible shall be \$500 \$250. For eligible persons under s. 149.165 (2) (a) 2., the
deductible shall be \$600 \$300. For eligible persons under s. 149.165 (2) (a) 3., the
deductible shall be \$700 \$350. For eligible persons under s. 149.165 (2) (a) 4., the
deductible shall be \$800 \$400. For all other eligible persons who are not eligible for
medicare, the deductible shall be \$1,000 \$500. With respect to all eligible persons,
expenses used to satisfy the deductible during the last 90 days of a calendar year
shall also be applied to satisfy the deductible for the following calendar year.

History: 1979 c. 313; 1981 c. 39 s. 22; 1981 c. 83; 1981 c. 314 ss. 117, 146; 1983 a. 27; 1985 a. 29 s. 3202 (30); 1985 a. 332 s. 253; 1987 a. 27, 239; 1989 a. 332; 1991 a. 39, 269; 1995 a. 463; 1997 a. 27 ss. 3026c, 4847 to 4859; Stats. 1997 s. 149.14; 1997 a. 237; 1999 a. 9, 165.

SECTION 2. 149.14 (5) (b) of the statutes is amended to read:

149.14 (5) (b) Except as provided in par. (c) 1, if the covered costs other than
those under sub. (3) (d) that are incurred by the an eligible person who is not eligible
for medicare exceed the deductible for major medical expense coverage in a calendar

1 year, the plan shall pay at least 80% of any additional covered costs other than those
2 under sub. (3) (d) that are incurred by the eligible person during the calendar year.

History: 1979 c. 313; 1981 c. 39 s. 22; 1981 c. 83; 1981 c. 314 ss. 117, 146; 1983 a. 27; 1985 a. 29 s. 3202 (30); 1985 a. 332 s. 253; 1987 a. 27, 239; 1989 a. 332; 1991 a. 39, 269; 1995 a. 463; 1997 a. 27 ss. 3026c, 4847 to 4859; Stats. 1997 s. 149.14; 1997 a. 237; 1999 a. 9, 165.

3 **SECTION 3.** 149.14 (5) (c) of the statutes is renumbered 149.14 (5) (c) 1. and
4 amended to read:

5 149.14 (5) (c) 1. If the aggregate of the covered costs other than those under sub.
6 (3) (d) that are not paid by the plan under par. (b) and the deductible exceeds \$500
7 for an eligible person receiving medicare, ~~\$2,000~~ ^{for} \$1,000 during a calendar year for
8 any other an eligible person during a calendar year who is not eligible for medicare, or
9 or \$4,000 ~~\$2,000~~ for all such eligible persons in a family, the plan shall pay 100% of
10 all covered costs other than those under sub. (3) (d) that are incurred by the eligible
11 person during the calendar year after the applicable payment ceilings ceiling under
12 this paragraph are subdivision is exceeded.

History: 1979 c. 313; 1981 c. 39 s. 22; 1981 c. 83; 1981 c. 314 ss. 117, 146; 1983 a. 27; 1985 a. 29 s. 3202 (30); 1985 a. 332 s. 253; 1987 a. 27, 239; 1989 a. 332; 1991 a. 39, 269; 1995 a. 463; 1997 a. 27 ss. 3026c, 4847 to 4859; Stats. 1997 s. 149.14; 1997 a. 237; 1999 a. 9, 165.

13 **SECTION 4.** 149.14 (5) (c) 2. of the statutes is created to read:

14 149.14 (5) (c) 2. If the covered costs other than those under sub. (3) (d) that are
15 incurred during a calendar year by an eligible person who is eligible for medicare
16 exceed the deductible, the plan shall pay 100% of all covered costs other than those
17 under sub. (3) (d) that are incurred by the eligible person during the calendar year
18 after the deductible is exceeded.

19 **SECTION 5.** 149.14 (5) (d) of the statutes is repealed.

20 **SECTION 6.** 149.14 (5) (e) of the statutes is renumbered 149.14 (5) (e) 1. and
21 amended to read:

22 149.14 (5) (e) 1. Subject to sub. (8) (b), the department may, by rule under s.
23 149.17 (4), establish copayments copayment amounts or coinsurance rates for

1 prescription drug coverage under sub. (3) (d). Any copayment ~~amounts or rates~~
 2 amount or coinsurance rate established are is subject to the approval of the board.
 3 Copayments paid by an eligible person under this paragraph shall count toward the
 4 deductible and covered costs not paid by the plan under pars. (a) to (c).

History: 1979 c. 313; 1981 c. 39 s. 22; 1981 c. 83; 1981 c. 314 ss. 117, 146; 1983 a. 27; 1985 a. 29 s. 3202 (30); 1985 a. 332 s. 253; 1987 a. 27, 239; 1989 a. 332; 1991 a. 39, 269; 1995 a. 463; 1997 a. 27 ss. 3026c, 4847 to 4859; Stats. 1997 s. 149.14; 1997 a. 237; 1999 a. 9, 165.

5 **SECTION 7.** 149.14 (5) (e) 2. of the statutes is created to read:

6 149.14 (5) (e) 2. The plan shall pay 100% of all covered costs under sub. (3) (d)
 7 that are incurred during a calendar year by each of the following eligible persons
 8 after the eligible person has paid the following amount in copayments or coinsurance
 9 for covered costs under sub. (3) (d) in the calendar year:

- 10 a. An eligible person who is eligible for medicare, \$250.
- 11 b. An eligible person under s. 149.165 (2) (a) 1., \$250.
- 12 c. An eligible person under s. 149.165 (2) (a) 2., \$300.
- 13 d. An eligible person under s. 149.165 (2) (a) 3., \$350.
- 14 e. An eligible person under s. 149.165 (2) (a) 4., \$400.
- 15 f. Any other eligible person who is not eligible for medicare, \$500.

16 **SECTION 8.** 149.146 (2) (am) 1. of the statutes is amended to read:

17 149.146 (2) (am) 1. For all eligible persons with coverage under this section,
 18 the deductible, which shall apply only to covered costs other than for prescription
 19 drugs, shall be \$2,500 \$1,250. Expenses used to satisfy the deductible during the last
 20 90 days of a calendar year shall also be applied to satisfy the deductible for the
 21 following calendar year.

History: 1997 a. 27 ss. 4860c, 4860d; Stats. 1997 s. 149.146; 1997 a. 237; 1999 a. 9, 165.

22 **SECTION 9.** 149.146 (2) (am) 2. of the statutes is amended to read:

23 149.146 (2) (am) 2. Except as provided in subd. 3., if the covered costs other
 24 than for prescription drugs that are incurred by the an eligible person exceed the

1 deductible ~~for major medical expense coverage~~ in a calendar year, the plan shall pay
2 at least 80% of any additional covered costs other than for prescription drugs that
3 are incurred by the eligible person during the calendar year.

History: 1997 a. 27 ss. 4860c, 4860d; Stats. 1997 s. 149.146; 1997 a. 237; 1999 a. 9, 165.

4 **SECTION 10.** 149.146 (2) (am) 3. of the statutes is amended to read:

5 149.146 (2) (am) 3. If the aggregate of the covered costs other than for
6 prescription drugs that are not paid by the plan under subd. 2. and the deductible
7 exceeds ~~\$3,500~~ \$1,750 for any eligible person during a calendar year or ~~\$7,000~~ \$3,500
8 for all eligible persons in a family, the plan shall pay 100% of all covered costs other
9 than for prescription drugs that are incurred by the eligible person during the
10 calendar year after the applicable payment ceilings ceiling under this subdivision
11 are is exceeded.

History: 1997 a. 27 ss. 4860c, 4860d; Stats. 1997 s. 149.146; 1997 a. 237; 1999 a. 9, 165.

12 **SECTION 11.** 149.146 (2) (am) 4. of the statutes is repealed.

13 **SECTION 12.** 149.146 (2) (am) 5. of the statutes is created to read:

14 149.146 (2) (am) 5. Subject to s. 149.14 (8) (b), the department may, by rule
15 under s. 149.17 (4), establish copayment amounts or coinsurance rates for
16 prescription drug coverage under this section. Any copayment amount or
17 coinsurance rate established is subject to the approval of the board. The plan shall
18 pay 100% of all covered costs for prescription drugs that are incurred by an eligible
19 person during a calendar year after the eligible person has paid \$1,250 in
20 copayments or coinsurance for prescription drug coverage in the calendar year.

21 **SECTION 13. Nonstatutory provisions.**

22 (1) RULES ON DRUG COPAYMENTS. The department of health and family services
23 may use the procedure under section 227.24 of the statutes to promulgate rules
24 authorized under section 149.14 (5) (e) 1. of the statutes, as affected by this act, and

1 section 149.146 (2) (am) 5. of the statutes, as created by this act. Notwithstanding
2 section 227.24 (1) (a), (2) (b), and (3) of the statutes, the department is not required
3 to provide evidence that promulgating a rule under this subsection as an emergency
4 rule is necessary for the preservation of public peace, health, safety, or welfare and
5 is not required to provide a finding of emergency for a rule promulgated under this
6 subsection.

7 **SECTION 14. Initial applicability.**

8 (1) This act first applies to policies under the health insurance risk-sharing
9 plan that are issued or renewed on the effective date of this subsection.

10 (END)

(and of just)