



State of Wisconsin
2001 - 2002 LEGISLATURE

LRB-0231/1

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2001 ASSEMBLY BILL 674

December 7, 2001 - Introduced by Representatives BLACK, BERCEAU, WASSERMAN, J. LEHMAN, POCAN, MORRIS-TATUM, RICHARDS, SINICKI, YOUNG, BOCK and TURNER, cosponsored by Senator RISSER. Referred to Committee on Health.

1 **AN ACT to amend** 40.51 (8), 40.51 (8m), 60.23 (25), 66.0137 (4), 111.91 (2) (n),
2 120.13 (2) (g), 185.981 (4t) and 185.983 (1) (intro.); and **to create** 609.87 and
3 632.895 (15) of the statutes; **relating to:** health insurance coverage of smoking
4 cessation treatment and medications.

Analysis by the Legislative Reference Bureau

This bill requires a health care plan to provide coverage of smoking cessation treatment that is provided in conformity with recommendations set forth in a publication of the federal agency for health care policy and research, as well as coverage of certain specified smoking cessation medications. The coverage requirement applies to both individual and group health insurance policies and plans, including managed care plans and plans offered by cooperative sickness care associations; to health care plans offered by the state to its employees, including a self-insured plan; and to self-insured health plans of counties, cities, towns, villages, and school districts. The requirement does not apply to health care plans that are offered by limited service health organizations or to health care plans that cover only specified diseases. The requirement may be subject to any limitations, exclusions, or cost-sharing provisions that apply generally under the policy or plan.

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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:

1 **SECTION 1.** 40.51 (8) of the statutes is amended to read:

2 40.51 **(8)** Every health care coverage plan offered by the state under sub. (6)
3 shall comply with ss. 631.89, 631.90, 631.93 (2), 631.95, 632.72 (2), 632.746 (1) to (8)
4 and (10), 632.747, 632.748, 632.83, 632.835, 632.85, 632.853, 632.855, 632.87 (3) to
5 (5), 632.895 (5m) and (8) to ~~(14)~~ (15) and 632.896.

6 **SECTION 2.** 40.51 (8m) of the statutes is amended to read:

7 40.51 **(8m)** Every health care coverage plan offered by the group insurance
8 board under sub. (7) shall comply with ss. 631.95, 632.746 (1) to (8) and (10), 632.747,
9 632.748, 632.83, 632.835, 632.85, 632.853, 632.855 and 632.895 (11) to ~~(14)~~ (15).

10 **SECTION 3.** 60.23 (25) of the statutes is amended to read:

11 60.23 **(25)** SELF-INSURED HEALTH PLANS. Provide health care benefits to its
12 officers and employees on a self-insured basis if the self-insured plan complies with
13 ss. 631.89, 631.90, 631.93 (2), 632.746 (10) (a) 2. and (b) 2., 632.747 (3), 632.85,
14 632.853, 632.855, 632.87 (4) and (5), 632.895 (9) and (11) to ~~(14)~~ (15) and 632.896.

15 **SECTION 4.** 66.0137 (4) of the statutes is amended to read:

16 66.0137 **(4)** SELF-INSURED HEALTH PLANS. If a city, including a 1st class city, or
17 a village provides health care benefits under its home rule power, or if a town
18 provides health care benefits, to its officers and employees on a self-insured basis,
19 the self-insured plan shall comply with ss. 49.493 (3) (d), 631.89, 631.90, 631.93 (2),
20 632.746 (10) (a) 2. and (b) 2., 632.747 (3), 632.85, 632.853, 632.855, 632.87 (4) and (5),
21 632.895 (9) to ~~(14)~~ (15), 632.896 and 767.25 (4m) (d).

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1 **SECTION 5.** 111.91 (2) (n) of the statutes is amended to read:

2 111.91 **(2)** (n) The provision to employees of the health insurance coverage
3 required under s. 632.895 (11) to ~~(14)~~ (15).

4 **SECTION 6.** 120.13 (2) (g) of the statutes is amended to read:

5 120.13 **(2)** (g) Every self-insured plan under par. (b) shall comply with ss.
6 49.493 (3) (d), 631.89, 631.90, 631.93 (2), 632.746 (10) (a) 2. and (b) 2., 632.747 (3),
7 632.85, 632.853, 632.855, 632.87 (4) and (5), 632.895 (9) to ~~(14)~~ (15), 632.896 and
8 767.25 (4m) (d).

9 **SECTION 7.** 185.981 (4t) of the statutes is amended to read:

10 185.981 **(4t)** A sickness care plan operated by a cooperative association is
11 subject to ss. 252.14, 631.17, 631.89, 631.95, 632.72 (2), 632.745 to 632.749, 632.85,
12 632.853, 632.855, 632.87 (2m), (3), (4) and (5), 632.895 (10) to ~~(14)~~ (15) and 632.897
13 (10) and chs. 149 and 155.

14 **SECTION 8.** 185.983 (1) (intro.) of the statutes is amended to read:

15 185.983 **(1)** (intro.) Every such voluntary nonprofit sickness care plan shall be
16 exempt from chs. 600 to 646, with the exception of ss. 601.04, 601.13, 601.31, 601.41,
17 601.42, 601.43, 601.44, 601.45, 611.67, 619.04, 628.34 (10), 631.17, 631.89, 631.93,
18 631.95, 632.72 (2), 632.745 to 632.749, 632.775, 632.79, 632.795, 632.85, 632.853,
19 632.855, 632.87 (2m), (3), (4) and (5), 632.895 (5) and (9) to ~~(14)~~ (15), 632.896 and
20 632.897 (10) and chs. 609, 630, 635, 645 and 646, but the sponsoring association
21 shall:

22 **SECTION 9.** 609.87 of the statutes is created to read:

23 **609.87 Coverage of smoking cessation treatment.** Managed care plans
24 are subject to s. 632.895 (15).

25 **SECTION 10.** 632.895 (15) of the statutes is created to read:

ASSEMBLY BILL 674**SECTION 10**

1 632.895 (15) SMOKING CESSATION TREATMENT AND MEDICATION. (a) In this
2 subsection, “self-insured health plan” means a self-insured health plan of the state
3 or a county, city, village, town, or school district.

4 (b) 1. Subject to subd. 2. and except as provided in par. (e), every disability
5 insurance policy and every self-insured health plan shall provide coverage of
6 smoking cessation treatment that is provided in conformity with the
7 recommendations set forth in Clinical Practice Guideline Number 18, Smoking
8 Cessation, publication number 96-0692, published by the federal department of
9 health and human services, agency for health care policy and research.

10 2. A disability insurance policy or self-insured health plan is not required to
11 cover smoking cessation treatment more than 3 times for any insured.

12 (c) Except as provided in par. (e), every disability insurance policy and every
13 self-insured health plan shall provide coverage of all of the following medications if
14 approved for use by the federal food and drug administration and if prescribed for
15 smoking cessation:

16 1. Nicotine gum.

17 2. Nicotine patch.

18 3. Nicotine nasal spray.

19 4. Nicotine inhaler.

20 5. Zyban or its generic equivalent.

21 (d) The coverage required under pars. (b) and (c) may be subject to any
22 limitations, exclusions, or cost-sharing provisions that apply generally under the
23 disability insurance policy or self-insured health plan.

24 (e) This subsection does not apply to any of the following:

25 1. A limited service health organization, as defined in s. 609.01 (3).

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1 2. A preferred provider plan, as defined in s. 609.01 (4), that is not a managed
2 care plan, as defined in s. 609.01 (3c).

3 3. A disability insurance policy that covers only certain specified diseases.

4 **SECTION 11. Initial applicability.**

5 (1) This act first applies to all of the following:

6 (a) Except as provided in paragraphs (b) and (c), disability insurance policies
7 that are issued or renewed, and self-insured health plans that are established,
8 extended, modified, or renewed, on the effective date of this paragraph.

9 (b) Disability insurance policies covering employees who are affected by a
10 collective bargaining agreement containing provisions inconsistent with this act
11 that are issued or renewed on the earlier of the following:

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

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

15 (c) Self-insured health plans covering employees who are affected by a
16 collective bargaining agreement containing provisions inconsistent with this act
17 that are established, extended, modified, or renewed on the earlier of the following:

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

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

21 **SECTION 12. Effective date.**

22 (1) This act takes effect on the first day of the 6th month beginning after
23 publication.

24 **(END)**