2013 DRAFTING REQUEST

Bill

Received:	**6/21/2013**	Received By:	**rchampag**
Wanted:	**Soon**	Same as LRB:	
For:	**Peter Barca (608) 266-5504**	By/Representing:	**Matt**
May Contact:		Drafter:	**rchampag**
Subject:	**Employ Pub - employee benefits** **State Finance - miscellaneous**	Addl. Drafters:	
		Extra Copies:	

Submit via email: **YES**
Requester's email: **Rep.Barca@legis.wisconsin.gov**
Carbon copy (CC) to:

Pre Topic:

No specific pre topic given

Topic:

Eliminate GIB High-Deductible and HSA Plans

Instructions:

See attached

Drafting History:

Vers.	Drafted	Reviewed	Typed	Proofed	Submitted	Jacketed	Required
/?	rchampag 7/1/2013			_____ _____			
/1		kfollett 7/10/2013	jfrantze 7/10/2013	_____ _____	srose 7/10/2013	lparisi 7/29/2013	State

FE Sent For:

At Intro.

<END>

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Vers.	Drafted	Reviewed	Typed	Proofed	Submitted	Jacketed	Required
/?	rchampag	/lks 7/10		7/20			

FE Sent For:

<END>

State of Wisconsin
2013 - 2014 LEGISLATURE

LRBb0149/2
RAC:eev:rs

LFB:.....Zimmerman – State Employee High Deductible Health Plans and HSAs

FOR 2013-2015 BUDGET — NOT READY FOR INTRODUCTION

ASSEMBLY AMENDMENT ,

TO ASSEMBLY BILL 40

At the locations indicated, amend the bill as follows:

1. Page 1019, line 4: after that line insert:

"(4L) DESIGN OF STATE EMPLOYEE HIGH-DEDUCTIBLE HEALTH PLAN AND HEALTH SAVINGS ACCOUNTS.

(a) Before the group insurance board offers state employees the option of receiving health care coverage through a program that consists of a high-deductible health plan and the establishment of a health savings account under section 40.515 of the statutes, as created by this act, the group insurance board and the director of the office of state employment relations shall design a proposed program that specifies key actuarial parameters of the program, including proposed required

1 deductible amounts, out–of–pocket maximum limits, premium rates, employer
2 contributions to health savings accounts, and any other relevant factors.

3 (b) The group insurance board shall submit the proposed program for an
4 actuarial analysis under section 40.03 (5) (a) of the statutes to determine the fiscal
5 effect of the proposed program on state employee health care costs. If the actuary
6 determines that short–term or long–term state employee health care costs will
7 increase under the proposed program, the actuary shall make recommendations to
8 make the program more cost–effective.

9 (c) The group insurance board and the director of the office of state employment
10 relations shall consider the actuary's recommendations, if any, in designing a
11 program that consists of a high–deductible health plan and the establishment of a
12 health savings account under section 40.515 of the statutes, as created by this act.

13 (4m) STUDY OF HEALTH SAVINGS ACCOUNTS AND HEALTH REIMBURSEMENT ACCOUNTS.
14 The secretary of employee trust funds and the director of the office of state
15 employment relations shall study the feasibility and cost–effectiveness of providing
16 health reimbursement accounts instead of health savings accounts to state
17 employees under section 40.515 of the statutes, as created by this act. No later than
18 January 31, 2014, the secretary of employee trust funds and the director of the office
19 of state employment relations shall report their findings and recommendations to
20 the governor and the joint committee on finance.".

21 **(END)**

State of Wisconsin
2013 - 2014 LEGISLATURE

LRB-1024/7
RAC:wlj:ph

DOA:.....Waterman, BB0347 - State Employee Health Savings Accounts

FOR 2013-2015 BUDGET — NOT READY FOR INTRODUCTION

1 AN ACT ...; **relating to:** the budget.

Analysis by the Legislative Reference Bureau

RETIREMENT AND GROUP INSURANCE

State employees receive health insurance through plans offered by the Group Insurance Board (GIB). This bill requires GIB, beginning on January 1, 2015, to offer a health care coverage option that consists of a high-deductible health insurance plan and a health savings account. Federal law authorizes the establishment of health savings accounts, under which individuals and their employers may make tax-exempt contributions that can be used for the payment of medical expenses. Federal law sets annual contribution limits. As a condition of establishing a health savings account, an individual must be covered under a high-deductible health insurance plan. The specific requirements of the high-deductible plans are set in federal law, but generally require the payment of deductibles and certain out-of-pocket expenses before an individual's medical services are covered under the plan. The bill also requires the state to make contributions into an employee's health savings account in an amount determined annually by the Director of the Office of State Employment Relations.

For further information see the ***state*** 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.** 20.515 (1) (tm) of the statutes is created to read:

2 20.515 **(1)** (tm) *Health savings account plan.* All moneys deposited in the public
3 employee trust fund relating to the establishment and operation of health savings
4 accounts under s. 40.515 to be used for the payment of expenses relating to health
5 savings accounts.

****NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

6 **SECTION 2.** 20.921 (1) (a) 6. of the statutes is created to read:

7 20.921 **(1)** (a) 6. Payment into a health savings account established for that
8 officer or employee under s. 40.515.

9 **SECTION 3.** 40.02 (37m) of the statutes is created to read:

10 40.02 **(37m)** "Health savings account" means a health savings account
11 described in 26 USC 223.

12 **SECTION 4.** 40.02 (37r) of the statutes is created to read:

13 40.02 **(37r)** "High–deductible health plan" has the meaning given in 26 USC
14 223 (c) (2).

15 **SECTION 5.** 40.03 (2) (ig) of the statutes is amended to read:

16 40.03 **(2)** (ig) Shall promulgate, with the approval of the group insurance board,
17 all rules required for the administration of the group health, long–term care, income
18 continuation or life insurance plans established under subchs. IV to VI <u>and health</u>
19 <u>savings accounts under subch. IV</u>.

20 **SECTION 6.** 40.03 (6) (k) of the statutes is created to read:

21 40.03 **(6)** (k) Shall establish health savings accounts for state employees who
22 select a high–deductible health plan under s. 40.515 for their health care coverage
23 plan.

1 **SECTION 7.** 40.04 (12) of the statutes is created to read:

2 40.04 **(12)** The department shall establish and maintain a separate account in
3 the fund to which shall be credited all moneys received from employees and
4 employers in connection with health savings accounts established under s. 40.515.

5 **SECTION 8.** 40.05 (4) (ah) 4. of the statutes is created to read:

6 40.05 **(4)** (ah) 4. Annually, the director shall determine the amount of
7 contributions, if any, that the state must contribute into an employee's health
8 savings account under s. 40.515 and the amount that employees are required to pay
9 for health insurance premiums for a high–deductible health plan under s. 40.515.

10 **SECTION 9.** 40.515 of the statutes is created to read:

11 **40.515 Health savings accounts; high–deductible health plan. (1)** In
12 addition to the health care coverage plans offered under s. 40.51 (6), beginning on
13 January 1, 2015, the group insurance board shall offer to all state employees the
14 option of receiving health care coverage through a high–deductible health plan and
15 the establishment of a health savings account. Under this option, each employee
16 shall receive health care coverage through a high–deductible health plan. The state
17 shall make contributions into each employee's health savings account in an amount
18 specified by the director of the office of state employment relations under s. 40.05 (4)
19 (ah) 4. In designing a high–deductible health plan, the group insurance board shall
20 ensure that the plan may be used in conjunction with a health savings account.

21 **(2)** The group insurance board may contract with any person to provide
22 administrative and other services relating to health savings accounts established
23 under this section.

24 **(3)** The group insurance board may collect fees from state agencies to pay all
25 administrative costs relating to the establishment and operation of health savings

1 accounts established under this section. The group insurance board shall develop a
2 methodology for determining each state agency's share of the administrative costs.
3 Moneys collected under this subsection shall be credited to the appropriation account
4 under s. 20.515 (1) (tm).

5 **(4)** Beginning on January 1, 2015, to the extent practicable, any agreement
6 with any insurer or provider to provide health care coverage to state employees
7 under s. 40.51 (6) shall require the insurer or provider to also offer a high–deductible
8 health plan that may be used in conjunction with a health savings account.

9 **(END)**

State of Wisconsin
2013 – 2014 LEGISLATURE

LRB–2559/1
RAC:

2013 BILL

-gen cat.

AN ACT ...; **relating to:** eliminating the requirement that the group insurance board offer to state employees a health care coverage option that consists of a high–deductible health insurance plan and a health savings account.

Analysis by the Legislative Reference Bureau

2013 Wisconsin Act 20, the biennial budget act, required the Group Insurance Board (GIB), beginning on January 1, 2015, to offer to state employees a health care coverage option that consists of a high–deductible health insurance plan and a health savings account. This bill eliminates this requirement and a requirement that the GIB must study the feasibility and cost–effectiveness of providing health reimbursement accounts instead of health savings accounts.

For further information see the ***state*** 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:

SECTION 1. 20.515 (1) (tm) of the statutes, as created by 2013 Wisconsin Act 20, is repealed.

SECTION 2. 20.921 (1) (a) 6. of the statutes, as created by 2013 Wisconsin Act 20, is repealed.

SECTION 3. 40.02 (37m) of the statutes, as created by 2013 Wisconsin Act 20, is repealed.

SECTION 4. 40.02 (37r) of the statutes, as created by 2013 Wisconsin Act 20, is repealed.

SECTION 5. 40.03 (2) (ig) of the statutes, as affected by 2013 Wisconsin Act 20, is amended to read:

40.03 **(2)** (ig) Shall promulgate, with the approval of the group insurance board, all rules required for the administration of the group health, long–term care, income continuation or life insurance plans established under subchs. IV to VI ~~and health savings accounts under subch. IV.~~

History: 1981 c. 96 ss. 24, 32; 1981 c. 386; 1983 a. 247; 1985 a. 29; 1985 a. 332 ss. 53, 251 (1); 1987 a. 356; 1989 a. 31, 166, 323; 1991 a. 116, 141, 152, 269; 1993 a. 16; 1995 a. 302, 414; 1997 a. 27; 1999 a. 9; 2001 a. 16; 2003 a. 33; 2005 a. 25, 153; 2007 a. 20 s. 9121 (6) (a); 2007 a. 131; 2011 a. 10, 32, 258.

SECTION 6. 40.03 (6) (k) of the statutes, as created by 2013 Wisconsin Act 20, is repealed.

SECTION 7. 40.04 (12) of the statutes, as created by 2013 Wisconsin Act 20, is repealed.

SECTION 8. 40.05 (4) (ah) 4. of the statutes, as created by 2013 Wisconsin Act 20, is repealed.

SECTION 9. 40.515 of the statutes, as created by 2013 Wisconsin Act 20, is repealed.

SECTION 10. 2013 Wisconsin Act 20, section 9112 (4L) and (4m) are repealed.

(END)

Parisi, Lori

From: Egerer, Matt
Sent: Monday, July 29, 2013 12:25 PM
To: LRB.Legal
Subject: Draft Review: LRB -2559/1 Topic: Eliminate GIB High-Deductible and HSA Plans

Please Jacket LRB -2559/1 for the ASSEMBLY.