



# State of Wisconsin

LEGISLATIVE REFERENCE BUREAU

## Appendix A

### LRB BILL HISTORY RESEARCH APPENDIX

The drafting file for 2013 LRB-0460/1 (For: Admin. – Budget)

has been copied/added to the drafting file for

**2013 LRB-0459** (For: Admin. – Budget)

Are These “Companion Bills” ?? ... No



**RESEARCH APPENDIX -**  
**PLEASE KEEP WITH THE DRAFTING FILE**

Date Transfer Requested: 01/29/2013 (Per: RAC)

The attached draft was incorporated into the new draft listed above. For research purposes the attached materials were added, as a appendix, to the new drafting file. If introduced this section will be scanned and added, as a separate appendix, to the electronic drafting file folder.

**2013 DRAFTING REQUEST**

**Bill**

Received: **10/30/2012** Received By: **rchampag**  
Wanted: **Soon** Companion to LRB:  
For: **Administration-Budget** By/Representing: **Waterman**  
May Contact: Drafter: **rchampag**  
Subject: **Employ Pub - employee benefits** Addl. Drafters:  
Extra Copies:

Submit via email: **YES**  
Requester's email:  
Carbon copy (CC) to:

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**Pre Topic:**

DOA:.....Waterman, BB0212 -

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**Topic:**

Health insurance premiums for state employees who work and reside out of state

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**Instructions:**

See attached

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**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>
/?	rchampag 11/1/2012			_____			
/1		kfollett 11/1/2012	11/1/2012	_____	rose 11/1/2012		State

FE Sent For:

<END>

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1/?	rchampag	11/5 11/1		==			

FE Sent For:

<END>

**Champagne, Rick**

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**From:** Hanaman, Cathlene  
**Sent:** Tuesday, October 30, 2012 10:23 AM  
**To:** Champagne, Rick  
**Subject:** FW: Statutory Language Drafting Request - BB0212  
**Attachments:** Health Ins Premiums.pdf

**From:** [mickie.waterman@wisconsin.gov](mailto:mickie.waterman@wisconsin.gov) [<mailto:mickie.waterman@wisconsin.gov>]  
**Sent:** Tuesday, October 30, 2012 9:46 AM  
**To:** Hanaman, Cathlene  
**Cc:** Thornton, Scott - DOA; Kraus, Jennifer - DOA  
**Subject:** Statutory Language Drafting Request - BB0212

**Biennial Budget:** 2013-15

**Topic:** Tier 2 Premium Rate

**Tracking Code:** BB0212

**SBO Team:** GGCF

**SBO Analyst:** Waterman, Mickie D - DOA  
**Phone:** (608) 266-1072  
**E-mail:** [mickie.waterman@wisconsin.gov](mailto:mickie.waterman@wisconsin.gov)

**Agency Acronym:** OSER

**Agency Number:** 545

**Priority:** Medium

**Intent:**

Add language that if a tier has no plans offered in a given year but is used solely to establish contribution amounts for employees who work and reside outside the state, the amount that employees are required to pay shall be the contribution amount for that tier in the prior year adjusted by the same inflation as the other tiers. This is necessary since tier 2 has no plans offered and a method to set premium rates is needed in statute.  
See attached.

**Attachments:** True

*Please send completed drafts to [statlanguage@wisapps.wi.gov](mailto:statlanguage@wisapps.wi.gov)*

**40.05(4) HEALTH INSURANCE PREMIUMS.**

(a)

1. For health insurance, each insured employee and insured retired employee shall contribute the balance of the required premium amounts after applying required employer contributions, if any.

2. For an insured employee who is an eligible employee under s. 40.02 (25) (a) 2. or (b) 1m. or 2c., the employer shall pay required employer contributions toward the health insurance premium of the insured employee beginning on the date on which the employee becomes insured. For an insured state employee who is currently employed, but who is not a limited term appointment under s. 230.26 or an eligible employee under s. 40.02 (25) (a) 2. or (b) 1m. or 2c., the employer shall pay required employer contributions toward the health insurance premium of the insured employee beginning on the first day of the 3rd month beginning after the date on which the employee begins employment with the state, not including any leave of absence. For an insured employee who has a limited term appointment under s. 230.26, the employer shall pay required employer contributions toward the health insurance premium of the insured employee beginning on the first day of the 7th month beginning after the date on which the employee first becomes a participating employee.

3. The employer shall continue to pay required employer contributions toward the health insurance premium of an insured employee while the insured employee is on a leave of absence, as follows:

a. Only for the first 3 months of the leave of absence, except as provided in subd. 3. b.

b. Unless otherwise provided in the compensation plan under s. 230.12, for the entire leave of absence if the insured employee is receiving temporary disability compensation under s. 102.43.

(ad) For health insurance, each insured retired employee who elects coverage under s. 40.51 (10), (10m) or (16) shall pay the entire amount of the required premiums, except as provided in par. (bc).

(ag) Except as otherwise provided in a collective bargaining agreement under subch. V of ch. 111, the employer shall pay for its currently employed insured employees:

1. For insured part-time employees other than employees specified in s. 40.02 (25) (b) 2., including those in project positions as defined in s. 230.27 (1), who are appointed to work less than 1,044 hours per year, an amount determined annually by the director of the office of state employment relations under par. (ah).

2. For eligible employees not specified in subd. 1. and s. 40.02 (25) (b) 2., an amount not more than 88 percent of the average premium cost of plans offered in the each tier with the lowest employee premium cost under s. 40.51 (6), as determined annually by the director of the office of state employment relations under par. (ah).

(ah) Annually, the director of the office of state employment relations shall establish the amount that employees are required to pay for health insurance premiums in accordance with the maximum employer payments under par. (ag), except:

1. Craft employees will continue to pay 100% of the premiums unless otherwise determined by the director.

2. If a tier under s. 40.51 (6) has no plans offered in a given year but is used solely to establish contribution amounts for employees who work and reside outside the state, the amount that employees are required to pay shall be the contribution amount for that tier in the prior year adjusted by the average percentage change of the other tiers from the prior year.

(at) An employer shall pay, on behalf of a nonrepresented managerial employee in a position described under s. 40.02 (48) (am) 7. or 8., who was initially employed by the state before July 1, 2011, the same premium contribution rates required by par. (ag) that are paid by the employer for represented employees in positions described under s. 40.02 (48) (am) 7. or 8. who were initially employed by the state before July 1, 2011.



State of Wisconsin  
2013 - 2014 LEGISLATURE



LRB-0460/1

RAC: K. J. [signature]

DOA:.....Waterman, BB0212 - Health insurance premiums for state employees who work and reside out of state

**FOR 2013-2015 BUDGET — NOT READY FOR INTRODUCTION**

Don't Gen

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

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*Analysis by the Legislative Reference Bureau*

**RETIREMENT AND GROUP INSURANCE**

X Currently, the Director of the Office of State Employment Relations establishes the amount that employees must pay for health insurance premiums, subject to a general provision that the state may not pay more than 88 percent of the average premium costs of the lowest cost health insurance plans. Under current law, health insurance plans are assigned to three different tiers, depending on cost. This bill provides that if a given tier contains no health insurance plans, but that tier is used to establish the premium amounts for employees who work and reside outside of the state, the amount these employees are must pay is be based on the premium contribution amount for that tier in the prior year, adjusted by the average percentage change of the premium contribution amount of the other tiers from the prior year.

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

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

1           **SECTION 1.** 40.05 (4) (ah) of the statutes is amended to read:

2           40.05 (4) (ah) Annually, the director of the office of state employment relations  
3 shall establish the amount that employees are required to pay for health insurance  
4 premiums in accordance with the maximum employer payments under par. (ag). For  
5 purposes of establishing the amount that employees are required to pay for health  
6 insurance premiums, if a tier under s. 40.51 (6) contains no health insurance plans,  
7 but that tier is used to establish the premium amounts for employees who work and  
8 reside outside of the state, the amount these employees are required to pay shall be  
9 based on the premium contribution amount for that tier in the prior year, adjusted  
10 by the average percentage change of the premium contribution amount of the other  
11 tiers from the prior year.

**History:** 1981 c. 96, 274, 278, 386; 1983 a. 9 s. 6; 1983 a. 27, 30; 1983 a. 46 ss. 2 to 4, 7; 1983 a. 140; 1983 a. 141 ss. 7 to 12, 20; 1983 a. 290, 504, 538; 1985 a. 29, 119, 135, 225; 1987 a. 27, 83, 107, 309, 356, 363; 1987 a. 403 s. 256; 1989 a. 13, 14, 31, 119, 122, 166, 182, 189, 230, 336, 355, 359; 1991 a. 32, 39, 107, 113, 141, 152, 189, 269; 1995 a. 27, 81, 88, 89, 240, 302; 1997 a. 35, 58, 149; 1999 a. 9, 11, 13, 104; 2001 a. 16; 2003 a. 33 ss. 1004 to 1015, 9160; 2003 a. 69, 117; 2005 a. 22, 153; 2007 a. 20, 131, 200, 226; 2009 a. 15, 28; 2011 a. 10, 32; s. 13.92 (2) (i).

12

(END)



State of Wisconsin  
2013 - 2014 LEGISLATURE



LRB-0460/1  
RAC:kjf:rs

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11

(END)