State of Wisconsin

LEGISLATIVE REFERENCE BUREAU

☞Appendix A ... segment V

LRB BILL HISTORY RESEARCH APPENDIX

☞ The drafting file for 2013 LRB–1888 (For: LRB)

has been copied/added to the drafting file for

2013 LRBb0097 (For: LFB – Budget)

RESEARCH APPENDIX -

PLEASE KEEP WITH THE DRAFTING FILE

Date Transfer Requested: 06/05/2013 (Per: PJK)

☞ 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.

State of Wisconsin
2013 – 2014 LEGISLATURE

LRB–1888/P4
PJK&JK:eev:ph

PRELIMINARY DRAFT – NOT READY FOR INTRODUCTION

AN ACT *to repeal* 13.94 (1) (dh), 13.94 (1s) (c) 4., 25.17 (63), 40.02 (54) (L), 49.67 (3) (am) 2. a., 49.686 (6), 70.11 (41m), 71.65 (4), 71.78 (4) (i), 71.80 (13), chapter 149, 613.03 (4), 631.20 (1) (c) 5., 631.20 (2) (f), 631.36 (7) (a) 1. and 632.785; *to consolidate, renumber and amend* 631.36 (7) (a) (intro.) and 2.; *to amend* 1.12 (1) (b), 13.172 (1), 13.62 (2), 13.95 (intro.), 16.002 (2), 16.004 (4), 16.004 (5), 16.004 (12) (a), 16.045 (1) (a), 16.15 (1) (ab), 16.41 (4), 16.417 (1) (a), 16.52 (7), 16.528 (1) (a), 16.53 (2), 16.54 (9) (a) 1., 16.70 (2), 16.72 (2) (e) (intro.), 16.72 (2) (f), 16.75 (1m), 16.75 (8) (a) 1., 16.75 (8) (a) 2., 16.75 (9), 16.765 (1), 16.765 (2), 16.765 (4), 16.765 (5), 16.765 (6), 16.765 (7) (intro.), 16.765 (7) (d), 16.765 (8), 16.85 (2), 16.865 (8), 20.435 (1) (am), 25.50 (1) (d), 49.67 (6) (b) 1., 71.07 (5g) (a), 71.07 (5g) (b), 71.07 (5g) (c) 1., 71.26 (1) (be), 71.28 (5g) (a), 71.28 (5g) (b), 71.28 (5g) (c) 1., 71.47 (5g) (a), 71.47 (5g) (b), 71.47 (5g) (c) 1., 76.655 (1), 76.655 (2), 76.655 (3) (a), 77.54 (9a) (a), 101.055 (2) (a), 230.03 (3), 230.80 (4), 230.90 (1) (c), 601.41 (1), 601.415 (12), 601.64 (1), 601.64 (3) (a), 601.64 (3) (c), 601.64 (4), 631.36 (7) (b), 632.897 (11) (a) and 646.01 (1) (a) 2. k.; and *to create* 20.145 (5)

1 and 895.514 of the statutes; **relating to:** dissolving the Health Insurance
2 Risk–Sharing Plan Authority and health care plan.

Analysis by the Legislative Reference Bureau

This is a preliminary draft. An analysis will be provided in a subsequent version of this draft.

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

3 **SECTION 1.** 1.12 (1) (b) of the statutes is amended to read:

4 1.12 **(1)** (b) "State agency" means an office, department, agency, institution of
5 higher education, the legislature, a legislative service agency, the courts, a judicial
6 branch agency, an association, society, or other body in state government that is
7 created or authorized to be created by the constitution or by law, for which
8 appropriations are made by law, excluding ~~the Health Insurance Risk–Sharing Plan~~
9 ~~Authority and~~ the Wisconsin Economic Development Corporation.

10 **SECTION 2.** 13.172 (1) of the statutes is amended to read:

11 13.172 **(1)** In this section, "agency" means an office, department, agency,
12 institution of higher education, association, society, or other body in state
13 government created or authorized to be created by the constitution or any law, that
14 is entitled to expend moneys appropriated by law, including the legislature and the
15 courts, and any authority created in subch. II of ch. 114 ~~or subch. III of ch. 149~~ or in
16 ch. 231, 233, 234, 238, or 279.

17 **SECTION 3.** 13.62 (2) of the statutes is amended to read:

18 13.62 **(2)** "Agency" means any board, commission, department, office, society,
19 institution of higher education, council, or committee in the state government, or any
20 authority created in subch. II of ch. 114 ~~or subch. III of ch. 149~~ or in ch. 231, 232, 233,

234, 237, 238, or 279, except that the term does not include a council or committee of the legislature.

SECTION 4. 13.94 (1) (dh) of the statutes is repealed.

SECTION 5. 13.94 (1s) (c) 4. of the statutes is repealed.

SECTION 6. 13.95 (intro.) of the statutes is amended to read:

13.95 Legislative fiscal bureau. (intro.) There is created a bureau to be known as the "Legislative Fiscal Bureau" headed by a director. The fiscal bureau shall be strictly nonpartisan and shall at all times observe the confidential nature of the research requests received by it; however, with the prior approval of the requester in each instance, the bureau may duplicate the results of its research for distribution. Subject to s. 230.35 (4) (a) and (f), the director or the director's designated employees shall at all times, with or without notice, have access to all state agencies, the University of Wisconsin Hospitals and Clinics Authority, the Wisconsin Aerospace Authority, ~~the Health Insurance Risk-Sharing Plan Authority,~~ the Lower Fox River Remediation Authority, the Wisconsin Economic Development Corporation, and the Fox River Navigational System Authority, and to any books, records, or other documents maintained by such agencies or authorities and relating to their expenditures, revenues, operations, and structure.

SECTION 7. 16.002 (2) of the statutes is amended to read:

16.002 **(2)** "Departments" means constitutional offices, departments, and independent agencies and includes all societies, associations, and other agencies of state government for which appropriations are made by law, but not including authorities created in subch. II of ch. 114 ~~or subch. III of ch. 149~~ or in ch. 231, 232, 233, 234, 237, 238, or 279.

SECTION 8. 16.004 (4) of the statutes is amended to read:

16.004 **(4)** FREEDOM OF ACCESS. The secretary and such employees of the department as the secretary designates may enter into the offices of state agencies and authorities created under subch. II of ch. 114 ~~and subch. III of ch. 149~~ and under chs. 231, 233, 234, 237, 238, and 279, and may examine their books and accounts and any other matter that in the secretary's judgment should be examined and may interrogate the agency's employees publicly or privately relative thereto.

SECTION 9. 16.004 (5) of the statutes is amended to read:

16.004 **(5)** AGENCIES AND EMPLOYEES TO COOPERATE. All state agencies and authorities created under subch. II of ch. 114 ~~and subch. III of ch. 149~~ and under chs. 231, 233, 234, 237, 238, and 279, and their officers and employees, shall cooperate with the secretary and shall comply with every request of the secretary relating to his or her functions.

SECTION 10. 16.004 (12) (a) of the statutes is amended to read:

16.004 **(12)** (a) In this subsection, "state agency" means an association, authority, board, department, commission, independent agency, institution, office, society, or other body in state government created or authorized to be created by the constitution or any law, including the legislature, the office of the governor, and the courts, but excluding the University of Wisconsin Hospitals and Clinics Authority, the Wisconsin Aerospace Authority, ~~the Health Insurance Risk–Sharing Plan Authority,~~ the Lower Fox River Remediation Authority, the Wisconsin Economic Development Corporation, and the Fox River Navigational System Authority.

SECTION 11. 16.045 (1) (a) of the statutes is amended to read:

16.045 **(1)** (a) "Agency" means an office, department, independent agency, institution of higher education, association, society, or other body in state government created or authorized to be created by the constitution or any law, that

is entitled to expend moneys appropriated by law, including the legislature and the courts, but not including an authority created in subch. II of ch. 114 ~~or subch. III of ch. 149~~ or in ch. 231, 232, 233, 234, 237, 238, or 279.

SECTION 12. 16.15 (1) (ab) of the statutes is amended to read:

16.15 **(1)** (ab) "Authority" has the meaning given under s. 16.70 (2), but excludes the University of Wisconsin Hospitals and Clinics Authority, the Lower Fox River Remediation Authority, <u>and</u> the Wisconsin Economic Development Corporation~~, and the Health Insurance Risk–Sharing Plan Authority.~~

SECTION 13. 16.41 (4) of the statutes is amended to read:

16.41 **(4)** In this section, "authority" means a body created under subch. II of ch. 114 ~~or subch. III of ch. 149~~ or under ch. 231, 233, 234, 237, 238, or 279.

SECTION 14. 16.417 (1) (a) of the statutes is amended to read:

16.417 **(1)** (a) "Agency" means an office, department, independent agency, institution of higher education, association, society, or other body in state government created or authorized to be created by the constitution or any law, that is entitled to expend moneys appropriated by law, including the legislature and the courts~~, but not including an authority or the body created under subch. III of ch. 149~~.

SECTION 15. 16.52 (7) of the statutes is amended to read:

16.52 **(7)** PETTY CASH ACCOUNT. With the approval of the secretary, each agency that is authorized to maintain a contingent fund under s. 20.920 may establish a petty cash account from its contingent fund. The procedure for operation and maintenance of petty cash accounts and the character of expenditures therefrom shall be prescribed by the secretary. In this subsection, "agency" means an office, department, independent agency, institution of higher education, association, society, or other body in state government created or authorized to be created by the

constitution or any law, that is entitled to expend moneys appropriated by law, including the legislature and the courts, but not including an authority created in subch. II of ch. 114 ~~or subch. III of ch. 149~~ or in ch. 231, 233, 234, 237, 238, or 279.

SECTION 16. 16.528 (1) (a) of the statutes is amended to read:

16.528 **(1)** (a) "Agency" means an office, department, independent agency, institution of higher education, association, society, or other body in state government created or authorized to be created by the constitution or any law, that is entitled to expend moneys appropriated by law, including the legislature and the courts, but not including an authority created in subch. II of ch. 114 ~~or subch. III of ch. 149~~ or in ch. 231, 233, 234, 237, 238, or 279.

SECTION 17. 16.53 (2) of the statutes is amended to read:

16.53 **(2)** IMPROPER INVOICES. If an agency receives an improperly completed invoice, the agency shall notify the sender of the invoice within 10 working days after it receives the invoice of the reason it is improperly completed. In this subsection, "agency" means an office, department, independent agency, institution of higher education, association, society, or other body in state government created or authorized to be created by the constitution or any law, that is entitled to expend moneys appropriated by law, including the legislature and the courts, but not including an authority created in subch. II of ch. 114 ~~or subch. III of ch. 149~~ or in ch. 231, 233, 234, 237, 238, or 279.

SECTION 18. 16.54 (9) (a) 1. of the statutes is amended to read:

16.54 **(9)** (a) 1. "Agency" means an office, department, independent agency, institution of higher education, association, society or other body in state government created or authorized to be created by the constitution or any law, which is entitled to expend moneys appropriated by law, including the legislature and the

courts, but not including an authority created in subch. II of ch. 114 ~~or subch. III of ch. 149~~ or in ch. 231, 233, 234, 237, 238, or 279.

SECTION 19. 16.70 (2) of the statutes is amended to read:

16.70 **(2)** "Authority" means a body created under subch. II of ch. 114 ~~or subch. III of ch. 149~~ or under ch. 231, 232, 233, 234, 237, or 279.

SECTION 20. 16.72 (2) (e) (intro.) of the statutes is amended to read:

16.72 **(2)** (e) (intro.) In writing the specifications under this subsection, the department and any other designated purchasing agent under s. 16.71 (1) shall incorporate requirements for the purchase of products made from recycled materials and recovered materials if their use is technically and economically feasible. Each authority other than the University of Wisconsin Hospitals and Clinics Authority~~,~~ and the Lower Fox River Remediation Authority, ~~and the Health Insurance Risk–Sharing Plan Authority,~~ in writing specifications for purchasing by the authority, shall incorporate requirements for the purchase of products made from recycled materials and recovered materials if their use is technically and economically feasible. The specifications shall include requirements for the purchase of the following materials:

SECTION 21. 16.72 (2) (f) of the statutes is amended to read:

16.72 **(2)** (f) In writing specifications under this subsection, the department, any other designated purchasing agent under s. 16.71 (1), and each authority other than the University of Wisconsin Hospitals and Clinics Authority~~,~~ and the Lower Fox River Remediation Authority~~, and the Health Insurance Risk–Sharing Plan Authority~~ shall incorporate requirements relating to the recyclability and ultimate disposition of products and, wherever possible, shall write the specifications so as to minimize the amount of solid waste generated by the state, consistent with the

priorities established under s. 287.05 (12). All specifications under this subsection shall discourage the purchase of single–use, disposable products and require, whenever practical, the purchase of multiple–use, durable products.

SECTION 22. 16.75 (1m) of the statutes is amended to read:

16.75 **(1m)** The department shall award each order or contract for materials, supplies or equipment on the basis of life cycle cost estimates, whenever such action is appropriate. Each authority other than the University of Wisconsin Hospitals and Clinics Authority, the Lower Fox River Remediation Authority, and the Wisconsin Aerospace Authority~~, and the Health Insurance Risk–Sharing Plan Authority~~ shall award each order or contract for materials, supplies or equipment on the basis of life cycle cost estimates, whenever such action is appropriate. The terms, conditions and evaluation criteria to be applied shall be incorporated in the solicitation of bids or proposals. The life cycle cost formula may include, but is not limited to, the applicable costs of energy efficiency, acquisition and conversion, money, transportation, warehousing and distribution, training, operation and maintenance and disposition or resale. The department shall prepare documents containing technical guidance for the development and use of life cycle cost estimates, and shall make the documents available to local governmental units.

SECTION 23. 16.75 (8) (a) 1. of the statutes is amended to read:

16.75 **(8)** (a) 1. The department, any other designated purchasing agent under s. 16.71 (1), any agency making purchases under s. 16.74, and each authority other than the University of Wisconsin Hospitals and Clinics Authority~~,~~ and the Lower Fox River Remediation Authority~~, and the Health Insurance Risk–Sharing Plan Authority~~ shall, to the extent practicable, make purchasing selections using

specifications developed under s. 16.72 (2) (e) to maximize the purchase of materials utilizing recycled materials and recovered materials.

SECTION 24. 16.75 (8) (a) 2. of the statutes is amended to read:

16.75 **(8)** (a) 2. Each agency and authority other than the University of Wisconsin Hospitals and Clinics Authority~~,~~ and the Lower Fox River Remediation Authority~~, and the Health Insurance Risk–Sharing Plan Authority~~ shall ensure that the average recycled or recovered content of all paper purchased by the agency or authority measured as a proportion, by weight, of the fiber content of paper products purchased in a fiscal year, is not less than 40% of all purchased paper.

SECTION 25. 16.75 (9) of the statutes is amended to read:

16.75 **(9)** The department, any other designated purchasing agent under s. 16.71 (1), any agency making purchases under s. 16.74, and any authority other than the University of Wisconsin Hospitals and Clinics Authority~~,~~ and the Lower Fox River Remediation Authority~~, and the Health Insurance Risk–Sharing Plan Authority~~ shall, to the extent practicable, make purchasing selections using specifications prepared under s. 16.72 (2) (f).

SECTION 26. 16.765 (1) of the statutes is amended to read:

16.765 **(1)** Contracting agencies, the University of Wisconsin Hospitals and Clinics Authority, the Fox River Navigational System Authority, the Wisconsin Aerospace Authority, ~~the Health Insurance Risk–Sharing Plan Authority,~~ the Lower Fox River Remediation Authority, the Wisconsin Economic Development Corporation, and the Bradley Center Sports and Entertainment Corporation shall include in all contracts executed by them a provision obligating the contractor not to discriminate against any employee or applicant for employment because of age, race, religion, color, handicap, sex, physical condition, developmental disability as

1 defined in s. 51.01 (5), sexual orientation as defined in s. 111.32 (13m), or national
2 origin and, except with respect to sexual orientation, obligating the contractor to take
3 affirmative action to ensure equal employment opportunities.

4 **SECTION 27.** 16.765 (2) of the statutes is amended to read:

5 16.765 **(2)** Contracting agencies, the University of Wisconsin Hospitals and
6 Clinics Authority, the Fox River Navigational System Authority, the Wisconsin
7 Aerospace Authority, ~~the Health Insurance Risk–Sharing Plan Authority,~~ the Lower
8 Fox River Remediation Authority, the Wisconsin Economic Development
9 Corporation, and the Bradley Center Sports and Entertainment Corporation shall
10 include the following provision in every contract executed by them: "In connection
11 with the performance of work under this contract, the contractor agrees not to
12 discriminate against any employee or applicant for employment because of age, race,
13 religion, color, handicap, sex, physical condition, developmental disability as defined
14 in s. 51.01 (5), sexual orientation or national origin. This provision shall include, but
15 not be limited to, the following: employment, upgrading, demotion or transfer;
16 recruitment or recruitment advertising; layoff or termination; rates of pay or other
17 forms of compensation; and selection for training, including apprenticeship. Except
18 with respect to sexual orientation, the contractor further agrees to take affirmative
19 action to ensure equal employment opportunities. The contractor agrees to post in
20 conspicuous places, available for employees and applicants for employment, notices
21 to be provided by the contracting officer setting forth the provisions of the
22 nondiscrimination clause".

23 **SECTION 28.** 16.765 (4) of the statutes is amended to read:

24 16.765 **(4)** Contracting agencies, the University of Wisconsin Hospitals and
25 Clinics Authority, the Fox River Navigational System Authority, the Wisconsin

Aerospace Authority, ~~the Health Insurance Risk–Sharing Plan Authority,~~ the Lower Fox River Remediation Authority, and the Bradley Center Sports and Entertainment Corporation shall take appropriate action to revise the standard government contract forms under this section.

SECTION 29. 16.765 (5) of the statutes is amended to read:

16.765 **(5)** The head of each contracting agency and the boards of directors of the University of Wisconsin Hospitals and Clinics Authority, the Fox River Navigational System Authority, the Wisconsin Aerospace Authority, ~~the Health Insurance Risk–Sharing Plan Authority,~~ the Lower Fox River Remediation Authority, the Wisconsin Economic Development Corporation, and the Bradley Center Sports and Entertainment Corporation shall be primarily responsible for obtaining compliance by any contractor with the nondiscrimination and affirmative action provisions prescribed by this section, according to procedures recommended by the department. The department shall make recommendations to the contracting agencies and the boards of directors of the University of Wisconsin Hospitals and Clinics Authority, the Fox River Navigational System Authority, the Wisconsin Aerospace Authority, ~~the Health Insurance Risk–Sharing Plan Authority,~~ the Lower Fox River Remediation Authority, the Wisconsin Economic Development Corporation, and the Bradley Center Sports and Entertainment Corporation for improving and making more effective the nondiscrimination and affirmative action provisions of contracts. The department shall promulgate such rules as may be necessary for the performance of its functions under this section.

SECTION 30. 16.765 (6) of the statutes is amended to read:

16.765 **(6)** The department may receive complaints of alleged violations of the nondiscrimination provisions of such contracts. The department shall investigate

and determine whether a violation of this section has occurred. The department may delegate this authority to the contracting agency, the University of Wisconsin Hospitals and Clinics Authority, the Fox River Navigational System Authority, the Wisconsin Aerospace Authority, ~~the Health Insurance Risk–Sharing Plan Authority,~~ the Lower Fox River Remediation Authority, the Wisconsin Economic Development Corporation, or the Bradley Center Sports and Entertainment Corporation for processing in accordance with the department's procedures.

SECTION 31. 16.765 (7) (intro.) of the statutes is amended to read:

16.765 **(7)** (intro.) When a violation of this section has been determined by the department, the contracting agency, the University of Wisconsin Hospitals and Clinics Authority, the Fox River Navigational System Authority, the Wisconsin Aerospace Authority, ~~the Health Insurance Risk–Sharing Plan Authority,~~ the Lower Fox River Remediation Authority, the Wisconsin Economic Development Corporation, or the Bradley Center Sports and Entertainment Corporation, the contracting agency, the University of Wisconsin Hospitals and Clinics Authority, the Fox River Navigational System Authority, the Wisconsin Aerospace Authority, ~~the Health Insurance Risk–Sharing Plan Authority,~~ the Lower Fox River Remediation Authority, the Wisconsin Economic Development Corporation, or the Bradley Center Sports and Entertainment Corporation shall:

SECTION 32. 16.765 (7) (d) of the statutes is amended to read:

16.765 **(7)** (d) Direct the violating party to take immediate steps to prevent further violations of this section and to report its corrective action to the contracting agency, the University of Wisconsin Hospitals and Clinics Authority, the Fox River Navigational System Authority, the Wisconsin Aerospace Authority, ~~the Health Insurance Risk–Sharing Plan Authority,~~ the Lower Fox River Remediation

Authority, the Wisconsin Economic Development Corporation, or the Bradley Center Sports and Entertainment Corporation.

SECTION 33. 16.765 (8) of the statutes is amended to read:

16.765 **(8)** If further violations of this section are committed during the term of the contract, the contracting agency, the Fox River Navigational System Authority, the Wisconsin Aerospace Authority, ~~the Health Insurance Risk-Sharing Plan Authority,~~ the Lower Fox River Remediation Authority, the Wisconsin Economic Development Corporation, or the Bradley Center Sports and Entertainment Corporation may permit the violating party to complete the contract, after complying with this section, but thereafter the contracting agency, the Fox River Navigational System Authority, the Wisconsin Aerospace Authority, ~~the Health Insurance Risk-Sharing Plan Authority,~~ the Lower Fox River Remediation Authority, the Wisconsin Economic Development Corporation, or the Bradley Center Sports and Entertainment Corporation shall request the department to place the name of the party on the ineligible list for state contracts, or the contracting agency, the Fox River Navigational System Authority, the Wisconsin Aerospace Authority, ~~the Health Insurance Risk-Sharing Plan Authority,~~ the Lower Fox River Remediation Authority, the Wisconsin Economic Development Corporation, or the Bradley Center Sports and Entertainment Corporation may terminate the contract without liability for the uncompleted portion or any materials or services purchased or paid for by the contracting party for use in completing the contract.

SECTION 34. 16.85 (2) of the statutes is amended to read:

16.85 **(2)** To furnish engineering, architectural, project management, and other building construction services whenever requisitions therefor are presented to the department by any agency. The department may deposit moneys received from the

provision of these services in the account under s. 20.505 (1) (kc) or in the general fund as general purpose revenue — earned. In this subsection, "agency" means an office, department, independent agency, institution of higher education, association, society, or other body in state government created or authorized to be created by the constitution or any law, which is entitled to expend moneys appropriated by law, including the legislature and the courts, but not including an authority created in subch. II of ch. 114 ~~or subch. III of ch. 149~~ or in ch. 231, 233, 234, 237, 238, or 279.

SECTION 35. 16.865 (8) of the statutes is amended to read:

16.865 **(8)** Annually in each fiscal year, allocate as a charge to each agency a proportionate share of the estimated costs attributable to programs administered by the agency to be paid from the appropriation under s. 20.505 (2) (k). The department may charge premiums to agencies to finance costs under this subsection and pay the costs from the appropriation on an actual basis. The department shall deposit all collections under this subsection in the appropriation account under s. 20.505 (2) (k). Costs assessed under this subsection may include judgments, investigative and adjustment fees, data processing and staff support costs, program administration costs, litigation costs, and the cost of insurance contracts under sub. (5). In this subsection, "agency" means an office, department, independent agency, institution of higher education, association, society, or other body in state government created or authorized to be created by the constitution or any law, that is entitled to expend moneys appropriated by law, including the legislature and the courts, but not including an authority created in subch. II of ch. 114 ~~or subch. III of ch. 149~~ or in ch. 231, 232, 233, 234, 237, 238, or 279.

SECTION 36. 20.145 (5) of the statutes is created to read:

20.145 **(5)** HEALTH INSURANCE RISK–SHARING PLAN. (g) *Wind–up expenses.* All moneys received from the Health Insurance Risk–Sharing Plan Authority under 2013 Wisconsin Act .... (this act), Section 9122 (1) (b) 8. b., from subrogation recoveries, from drug rebates, and from any other source related to or resulting from the operations or dissolution of the Health Insurance Risk–Sharing Plan, to pay expenses related to winding up the affairs of the Health Insurance Risk–Sharing Plan. Insert 15-7

SECTION 37. 20.435 (1) (am) of the statutes is amended to read:

20.435 **(1)** (am) *Services, reimbursement, and payment related to human immunodeficiency virus.* The amounts in the schedule for the purchase of services under s. 252.12 (2) (a) for individuals with respect to human immunodeficiency virus and related infections, including hepatitis C virus infection, to subsidize premium payments under ss. 252.16 and 252.17, for grants for the prevention of human immunodeficiency virus infection and related infections, including hepatitis C virus infection, under s. 252.12 (2) (c) 2. and 3., to reimburse or supplement the reimbursement of the cost of AZT, pentamidine, and certain other drugs under s. 49.686, ~~to pay for premiums and drug copayments under the pilot program under s. 49.686 (6),~~ and for case management services under s. 49.45 (25) (be).

SECTION 38. 25.17 (63) of the statutes is repealed.

SECTION 39. 25.50 (1) (d) of the statutes is amended to read:

25.50 **(1)** (d) "Local government" means any county, town, village, city, power district, sewerage district, drainage district, town sanitary district, public inland lake protection and rehabilitation district, local professional baseball park district created under subch. III of ch. 229, long–term care district under s. 46.2895, local professional football stadium district created under subch. IV of ch. 229, local

cultural arts district created under subch. V of ch. 229, public library system, school district or technical college district in this state, any commission, committee, board or officer of any governmental subdivision of this state, any court of this state, other than the court of appeals or the supreme court, or any authority created under s. 114.61, ~~149.41,~~ 231.02, 233.02, or 234.02.

SECTION 40. 40.02 (54) (L) of the statutes is repealed.

SECTION 41. 49.67 (3) (am) 2. a. of the statutes is repealed.

SECTION 42. 49.67 (6) (b) 1. of the statutes is amended to read:

49.67 **(6)** (b) 1. Benefits under the plan under this section shall not include any charge for care for injury or disease for which benefits are payable without regard to fault under coverage statutorily required to be contained in any motor vehicle or other liability insurance policy or equivalent self–insurance, for which benefits are payable under a worker's compensation or similar law, or for which benefits are payable under another policy of health care coverage, Medicare, or any other governmental program, except as otherwise provided by law. ~~If an individual who has coverage under the plan under this section also has coverage under the plan under subch. II of ch. 149, benefits under the plan under this section are secondary to the benefits provided under the plan under subch. II of ch. 149.~~

SECTION 43. 49.686 (6) of the statutes is repealed.

SECTION 44. 70.11 (41m) of the statutes is repealed.

SECTION 45. 71.07 (5g) (a) of the statutes is amended to read:

71.07 **(5g)** (a) *Definitions.* In this subsection, "claimant" means a partner, limited liability company member, or tax–option corporation shareholder who files a claim under this subsection and who is a partner, member, or shareholder of an entity that is an insurer, as defined in s. 149.10 (5), 2011 stats.

1 **SECTION 46.** 71.07 (5g) (b) of the statutes is amended to read:

2 71.07 **(5g)** (b) *Filing claims.* Subject to the limitations provided under this
3 subsection, for taxable years beginning after December 31, 2005, and before January
4 1, 2015, a claimant may claim as a credit against the taxes imposed under s. 71.02
5 an amount that is equal to the amount of the assessment under s. 149.13, 2011 stats.,
6 that the claimant paid in the claimant's taxable year, multiplied by the percentage
7 determined under par. (c) 1.

8 **SECTION 47.** 71.07 (5g) (c) 1. of the statutes is amended to read:

9 71.07 **(5g)** (c) 1. The department of revenue, in consultation with the office of
10 the commissioner of insurance, shall determine the percentage under par. (b) for
11 each claimant for each taxable year. The percentage shall be equal to $5,000,000
12 divided by the aggregate assessment under s. 149.13, 2011 stats. The office of the
13 commissioner of insurance shall provide to each claimant that participates in the
14 cost of administering the plan the aggregate assessment at the time that it notifies
15 the claimant of the claimant's assessment. The aggregate amount of the credit under
16 this subsection and ss. 71.28 (5g), 71.47 (5g), and 76.655 for all claimants
17 participating in the cost of administering the plan under ch. 149, 2011 stats., shall
18 not exceed $5,000,000 in each fiscal year.

19 **SECTION 48.** 71.26 (1) (be) of the statutes is amended to read:

20 71.26 **(1)** (be) *Certain authorities.* Income of the University of Wisconsin
21 Hospitals and Clinics Authority, ~~of the Health Insurance Risk-Sharing Plan~~
22 ~~Authority,~~ of the Fox River Navigational System Authority, of the Wisconsin
23 Economic Development Corporation, and of the Wisconsin Aerospace Authority.

24 **SECTION 49.** 71.28 (5g) (a) of the statutes is amended to read:

1 71.28 **(5g)** (a) *Definitions.* In this subsection, "claimant" means an insurer, as
2 defined in s. 149.10 (5), 2011 stats., who files a claim under this subsection.
3 **SECTION 50.** 71.28 (5g) (b) of the statutes is amended to read:
4 71.28 **(5g)** (b) *Filing claims.* Subject to the limitations provided under this
5 subsection, for taxable years beginning after December 31, 2005, and before January
6 1, 2015, a claimant may claim as a credit against the taxes imposed under s. 71.23
7 an amount that is equal to the amount of assessment under s. 149.13, 2011 stats.,
8 that the claimant paid in the claimant's taxable year, multiplied by the percentage
9 determined under par. (c) 1.
10 **SECTION 51.** 71.28 (5g) (c) 1. of the statutes is amended to read:
11 71.28 **(5g)** (c) 1. The department of revenue, in consultation with the office of
12 the commissioner of insurance, shall determine the percentage under par. (b) for
13 each claimant for each taxable year. The percentage shall be equal to $5,000,000
14 divided by the aggregate assessment under s. 149.13, 2011 stats. The office of the
15 commissioner of insurance shall provide to each claimant that participates in the
16 cost of administering the plan the aggregate assessment at the time that it notifies
17 the claimant of the claimant's assessment. The aggregate amount of the credit under
18 this subsection and ss. 71.07 (5g), 71.47 (5g), and 76.655 for all claimants
19 participating in the cost of administering the plan under ch. 149, 2011 stats., shall
20 not exceed $5,000,000 in each fiscal year.
21 **SECTION 52.** 71.47 (5g) (a) of the statutes is amended to read:
22 71.47 **(5g)** (a) *Definitions.* In this subsection, "claimant" means an insurer, as
23 defined in s. 149.10 (5), 2011 stats., who files a claim under this subsection.
24 **SECTION 53.** 71.47 (5g) (b) of the statutes is amended to read:

1 71.47 **(5g)** (b) *Filing claims.* Subject to the limitations provided under this
2 subsection, for taxable years beginning after December 31, 2005, and before January
3 1, 2015, a claimant may claim as a credit against the taxes imposed under s. 71.43
4 an amount that is equal to the amount of assessment under s. 149.13, 2011 stats.,
5 that the claimant paid in the claimant's taxable year, multiplied by the percentage
6 determined under par. (c) 1.

7 **SECTION 54.** 71.47 (5g) (c) 1. of the statutes is amended to read:

8 71.47 **(5g)** (c) 1. The department of revenue, in consultation with the office of
9 the commissioner of insurance, shall determine the percentage under par. (b) for
10 each claimant for each taxable year. The percentage shall be equal to $5,000,000
11 divided by the aggregate assessment under s. 149.13, 2011 stats. The office of the
12 commissioner of insurance shall provide to each claimant that participates in the
13 cost of administering the plan the aggregate assessment at the time that it notifies
14 the claimant of the claimant's assessment. The aggregate amount of the credit under
15 this subsection and ss. 71.07 (5g), 71.28 (5g), and 76.655 for all claimants
16 participating in the cost of administering the plan under ch. 149, 2011 stats., shall
17 not exceed $5,000,000 in each fiscal year.

18 **SECTION 55.** 71.65 (4) of the statutes is repealed.

19 **SECTION 56.** 71.78 (4) (i) of the statutes is repealed.

20 **SECTION 57.** 71.80 (13) of the statutes is repealed.

21 **SECTION 58.** 76.655 (1) of the statutes is amended to read:

22 76.655 **(1)** DEFINITIONS. In this section, "claimant" means an insurer, as defined
23 in s. 149.10 (5), 2011 stats., who files a claim under this section.

24 **SECTION 59.** 76.655 (2) of the statutes is amended to read:

76.655 **(2)** FILING CLAIMS. Subject to the limitations provided under this section, for taxable years beginning after December 31, 2005, and before January 1, 2015, a claimant may claim as a credit against the fees imposed under ss. 76.60, 76.63, 76.65, 76.66 or 76.67 an amount that is equal to the amount of assessment under s. 149.13, 2011 stats., that the claimant paid in the claimant's taxable year, multiplied by the percentage determined under sub. (3).

SECTION 60. 76.655 (3) (a) of the statutes is amended to read:

76.655 **(3)** (a) The department of revenue, in consultation with the office of the commissioner of insurance, shall determine the percentage under sub. (2) for each claimant for each taxable year. The percentage shall be equal to $5,000,000 divided by the aggregate assessment under s. 149.13, 2011 stats. The office of the commissioner of insurance shall provide to each claimant that participates in the cost of administering the plan the aggregate assessment at the time that it notifies the claimant of the claimant's assessment. The aggregate amount of the credit under this subsection and ss. 71.07 (5g), 71.28 (5g), and 71.47 (5g) for all claimants participating in the cost of administering the plan under ch. 149, 2011 stats., shall not exceed $5,000,000 in each fiscal year.

SECTION 61. 77.54 (9a) (a) of the statutes is amended to read:

77.54 **(9a)** (a) This state or any agency thereof, the University of Wisconsin Hospitals and Clinics Authority, the Wisconsin Aerospace Authority, ~~the Health Insurance Risk-Sharing Plan Authority,~~ the Wisconsin Economic Development Corporation, and the Fox River Navigational System Authority.

SECTION 62. 101.055 (2) (a) of the statutes is amended to read:

101.055 **(2)** (a) "Agency" means an office, department, independent agency, authority, institution, association, society, or other body in state government created

or authorized to be created by the constitution or any law, and includes the legislature and the courts~~, but excludes the Health Insurance Risk–Sharing Plan Authority~~.

SECTION 63. Chapter 149 of the statutes is repealed.

SECTION 64. 230.03 (3) of the statutes, as affected by 2011 Wisconsin Acts 10, 32 and 229, is amended to read:

230.03 **(3)** "Agency" means any board, commission, committee, council, or department in state government or a unit thereof created by the constitution or statutes if such board, commission, committee, council, department, unit, or the head thereof, is authorized to appoint subordinate staff by the constitution or statute, except the Board of Regents of the University of Wisconsin System, a legislative or judicial board, commission, committee, council, department, or unit thereof or an authority created under subch. II of ch. 114 ~~or subch. III of ch. 149~~ or under ch. 231, 232, 233, 234, 237, 238, or 279. "Agency" does not mean any local unit of government or body within one or more local units of government that is created by law or by action of one or more local units of government.

SECTION 65. 230.80 (4) of the statutes is amended to read:

230.80 **(4)** "Governmental unit" means any association, authority, board, commission, department, independent agency, institution, office, society, or other body in state government created or authorized to be created by the constitution or any law, including the legislature, the office of the governor, and the courts~~, but excluding the Health Insurance Risk–Sharing Plan Authority~~. "Governmental unit" does not mean any political subdivision of the state or body within one or more political subdivisions that is created by law or by action of one or more political subdivisions.

1 **SECTION 66.** 230.90 (1) (c) of the statutes is amended to read:

2 230.90 **(1)** (c) "Governmental unit" means any association, authority, board,
3 commission, department, independent agency, institution, office, society or other
4 body in state government created or authorized to be created by the constitution or
5 any law, including the legislature, the office of the governor and the courts.
6 "Governmental unit" does not mean the University of Wisconsin Hospitals and
7 Clinics Authority~~, the Health Insurance Risk-Sharing Plan Authority,~~ or any
8 political subdivision of the state or body within one or more political subdivisions
9 which is created by law or by action of one or more political subdivisions.

10 **SECTION 67.** 601.41 (1) of the statutes is amended to read:

11 601.41 **(1)** DUTIES. The commissioner shall administer and enforce chs. 600 to
12 655 and ss. 59.52 (11) (c), 66.0137 (4) and (4m), 100.203, <u>and</u> 120.13 (2) (b) to (g)~~, and~~
13 ~~149.13~~ and shall act as promptly as possible under the circumstances on all matters
14 placed before the commissioner.

15 **SECTION 68.** 601.415 (12) of the statutes is amended to read:

16 601.415 **(12)** HEALTH INSURANCE RISK-SHARING PLAN. The commissioner shall
17 perform the duties specified to be performed by the commissioner in s. 149.13<u>, 2011</u>
18 <u>stats., and under 2013 Wisconsin Act .... (this act), Section 9122 (1) (b) 8</u>.

19 **SECTION 69.** 601.64 (1) of the statutes is amended to read:

20 601.64 **(1)** INJUNCTIONS AND RESTRAINING ORDERS. The commissioner may
21 commence an action in circuit court in the name of the state to restrain by temporary
22 or permanent injunction or by temporary restraining order any violation of chs. 600
23 to 655 or s. 149.13<u>, 2011 stats.</u>, any rule promulgated under chs. 600 to 655, or any
24 order issued under s. 601.41 (4). The commissioner need not show irreparable harm
25 or lack of an adequate remedy at law in an action commenced under this subsection.

1 **SECTION 70.** 601.64 (3) (a) of the statutes is amended to read:

2 601.64 **(3)** (a) *Restitutionary forfeiture.* Whoever violates an effective order
3 issued under s. 601.41 (4), any insurance statute or rule, or s. 149.13, 2011 stats.,
4 shall forfeit to the state twice the amount of any profit gained from the violation, in
5 addition to any other forfeiture or penalty imposed.

6 **SECTION 71.** 601.64 (3) (c) of the statutes is amended to read:

7 601.64 **(3)** (c) *Forfeiture for violation of statute or rule.* Whoever violates an
8 insurance statute or rule or s. 149.13, 2011 stats., intentionally aids a person in
9 violating an insurance statute or rule or s. 149.13, 2011 stats., or knowingly permits
10 a person over whom he or she has authority to violate an insurance statute or rule
11 or s. 149.13, 2011 stats., shall forfeit to the state not more than $1,000 for each
12 violation. If the statute or rule imposes a duty to make a report to the commissioner,
13 each week of delay in complying with the duty is a new violation.

14 **SECTION 72.** 601.64 (4) of the statutes is amended to read:

15 601.64 **(4)** CRIMINAL PENALTY. Whoever intentionally violates or intentionally
16 permits any person over whom he or she has authority to violate or intentionally aids
17 any person in violating any insurance statute or rule of this state, s. 149.13, 2011
18 stats., or any effective order issued under s. 601.41 (4) is guilty of a Class I felony,
19 unless a specific penalty is provided elsewhere in the statutes. Intent has the
20 meaning expressed under s. 939.23.

21 **SECTION 73.** 613.03 (4) of the statutes is repealed.

22 **SECTION 74.** 631.20 (1) (c) 5. of the statutes is repealed.

23 **SECTION 75.** 631.20 (2) (f) of the statutes is repealed.

24 **SECTION 76.** 631.36 (7) (a) (intro.) and 2. of the statutes are consolidated,
25 renumbered 631.36 (7) (a) and amended to read:

631.36 **(7)** (a) ~~Notice~~ Except as provided in par. (b), notice of cancellation or nonrenewal required under sub. (2) (b) or (4) is not effective~~: 2. Unless~~ unless the notice contains adequate instructions to the policyholder for applying for insurance through a risk–sharing plan under ch. 619, if a risk–sharing plan exists under ch. 619 for the kind of coverage being canceled or nonrenewed~~, except as provided in par. (b)~~.

SECTION 77. 631.36 (7) (a) 1. of the statutes is repealed.

SECTION 78. 631.36 (7) (b) of the statutes is amended to read:

631.36 **(7)** (b) Paragraph (a) ~~2.~~ does not apply to a notice of cancellation or nonrenewal issued by the mandatory health care liability risk–sharing plan established under s. 619.04.

SECTION 79. 632.785 of the statutes is repealed.

SECTION 80. 632.897 (11) (a) of the statutes is amended to read:

632.897 **(11)** (a) Notwithstanding subs. (2) to (10), the commissioner may promulgate rules establishing standards requiring insurers to provide continuation of coverage for any individual covered at any time under a group policy who is a terminated insured or an eligible individual under any federal program that provides for a federal premium subsidy for individuals covered under continuation of coverage under a group policy, including rules governing election or extension of election periods, notice, rates, premiums, premium payment, application of preexisting condition exclusions, election of alternative coverage, and status as an eligible individual, as defined in s. 149.10 (2t), 2011 stats.

SECTION 81. 646.01 (1) (a) 2. k. of the statutes is amended to read:

646.01 **(1)** (a) 2. k. Risk–sharing plans under ~~chs. 149 and~~ ch. 619.

SECTION 82. 895.514 of the statutes is created to read:

895.514 Civil liability exemption; Health Insurance Risk–Sharing Plan and Authority. (1) In this section:

(a) "Authority" means the Health Insurance Risk–Sharing Plan Authority established under subch. III of ch. 149, 2011 stats.

(b) "Board" means the board of directors of the authority.

(c) "Plan" means the health care insurance plan established under subch. II of ch. 149, 2011 stats.

(2) No cause of action of any nature may arise against, and no liability may be imposed upon, the authority, plan, or board; or any agent, employee, or director of any of them; or insurers participating in the plan; or the commissioner of insurance; or any agent, employee, or representative of the commissioner of insurance, for any act or omission by any of them in the performance of their powers and duties under ch. 149, 2011 stats., or under 2013 Wisconsin Act .... (this act), Section 9122 (1), unless the person asserting liability proves that the act or omission constitutes willful misconduct.

(3) (a) Except as provided in 2013 Wisconsin Act .... (this act), Section 9122 (1), neither the state nor any political subdivision of the state nor any officer, employee, or agent of the state or a political subdivision acting within the scope of employment or agency is liable for any debt, obligation, act, or omission of the authority.

(b) All of the expenses incurred by the authority, or the commissioner of insurance, or any agent, employee, or representative of the commissioner of insurance, in exercising its duties and powers under ch. 149, 2011 stats., or under 2013 Wisconsin Act .... (this act), Section 9122 (1), shall be payable only from funds of the authority or from the appropriation under s. 20.145 (5) (g).

SECTION 9122. Nonstatutory provisions; Insurance.

1 (1) DISSOLUTION OF THE HEALTH INSURANCE RISK–SHARING PLAN AND AUTHORITY.

2 (a) *Definitions.* In this subsection:

3 1. "Authority" means the Health Insurance Risk–Sharing Plan Authority
4 under subchapter III of chapter 149 of the statutes.

5 2. "Board" means the board of directors of the authority.

6 3. "Commissioner" means the commissioner of insurance.

7 4. "Covered person" means a person who has coverage under the plan.

8 5. "Office" means the office of the commissioner of insurance.

9 6. "Plan" means the Health Insurance Risk–Sharing Plan under subchapter II
10 of chapter 149 of the statutes.

11 (b) *Dissolution of the plan and authority.* Notwithstanding any statute,
12 administrative rule, or provision of a policy or contract or of the plan to the contrary,
13 the plan and the authority shall be dissolved in accordance with the following:

14 1. 'Coverage provisions.'

15 a. New coverage under the plan may not be issued to any person after December
16 31, 2013, except that new coverage under the plan that is funded under a contract
17 with the federal department of health and human services may not be issued to any
18 person after December 1, 2013.

19 A.R.b. b. Coverage under the policies issued under the plan terminates on January
20 1, 2014, or on the date that any health insurance coverage that is accessed through an American health benefit exchange, as described in 42 USC
21 18031, first becomes operational is effective in this state, if later than January 1, 2014. At least
22 60 days before coverage terminates, the authority shall provide notice of the date on
23 which coverage terminates to all covered persons, all insurers and providers that are
24 affected by the termination of the coverage, the office, and the legislative audit
25 bureau. At least 30 days before coverage terminates, the office shall provide notice

1 of the date on which coverage terminates to insurers described in subsection (2) (b)
2 1.

3 c. If coverage under the policies issued under the plan terminates on a date that
4 is later than January 1, 2014, because an American health benefit exchange, as
5 described in 42 USC 18031, is not operational in this state on January 1, 2014, the
6 authority may allow covered persons whose coverage under the plan is funded under
7 a contract with the federal department of health and human services to elect to be
8 covered, until coverage under the plan terminates, under the same coverage
9 provided under the plan to covered persons whose coverage under the plan is not
10 funded under a contract with the federal department of health and human services.

11 2. 'Provider claims.' Providers of medical services and devices and prescription
12 drugs to covered persons must file claims for payment no later than 90 days after the
13 date coverage terminates under subdivision 1. b. Any claim filed after that date is
14 not payable and may not be charged to the covered person who received the service,
15 device, or drug.

16 3. 'Grievances and review.'

17 a. Except for a grievance related to a prior authorization denial, a covered
18 person must submit any grievance, in writing, no later than 180 days after the date
19 coverage terminates under subdivision 1. b. or be barred from submitting the
20 grievance.

21 b. A covered person must submit any grievance related to a prior authorization
22 denial no later than 45 days before the date on which coverage terminates under
23 subdivision 1. b. or be barred from submitting the grievance, except that a grievance
24 related to a prior authorization denial that meets the requirements for an expedited

1 grievance must be submitted no later than the date on which coverage terminates
2 under subdivision 1. b. or be barred.

3 c. A covered person who submits a grievance after the date coverage terminates
4 under subdivision 1. b. must request an independent review, if any, with respect to
5 the grievance no later than 60 days after he or she receives notice of the disposition
6 of the grievance or be barred from requesting an independent review with respect to
7 the grievance.

8 4. 'Payment of plan costs.' The authority shall pay plan costs incurred in 2013
9 and all other costs associated with dissolving the plan that are incurred before legal
10 and financial responsibility is transferred to the office under subdivision 8. The
11 authority shall make every effort to pay plan costs in accordance with, or as closely
12 as possible to, the manner provided in section 149.143 of the statutes.

13 5. 'Contracts.' The authority may extend any administrative contracts that are
14 in effect into 2014, regardless of a contract's expiration date and without having to
15 comply with the requirements under section 149.47 of the statutes for the extension.

16 6. 'Report to legislature.' The authority shall submit a final report on plan
17 operation to the legislature under section 13.172 of the statutes no later than
18 September 30, 2013.

19 7. 'Board responsibilities.' The board shall do all of the following:

20 a. Develop a proposal, which shall be followed by the office, for the dispensation
21 of the plan's cash assets after all financial obligations of the plan and authority are
22 satisfied. To the extent feasible and practical, the proposal shall provide for the
23 return of any remaining equity to the source from which derived, including insurers,
24 providers, and covered persons. In the alternative, the proposal may provide for

Insert 29-1

using remaining cash assets in support of activities providing an indirect benefit to the insurers, providers, and covered persons.

b. Dispose of the noncash assets of the authority as soon as possible after the administrative offices of the authority are closed.

c. Make any other decisions and take any other actions necessary to effectively wind up the operations and affairs of the authority and plan and transfer responsibility to the office. All actions taken by the board must be consistent with the purpose of, and may not endanger the solvency of, the plan.

Administrative

8. 'Transfer to the office.' On the date that is 60 days after the date coverage under the plan terminates under subdivision 1. b., all of the following shall occur:

A.R.A.

a. Legal and financial responsibility for the dissolution of the plan is transferred to the office. The commissioner shall take any action necessary or advisable to wind up the affairs of the plan in accordance with the proposal developed by the board under subdivision 7. a. and shall notify the legislative audit bureau when the windup is completed and provide to the legislative audit bureau the final financial statements of the plan.

b. All remaining cash assets of the plan, including the balance in the Health Insurance Risk–Sharing Plan fund, are transferred to the appropriation account under section 20.145 (5) (g) of the statutes, as created by this act.

c. All tangible personal property, including records, of the authority not already disposed of by the board is transferred to the office.

d. All contracts and agreements entered into by the board that are in effect are transferred to the office. The office shall carry out any contractual obligations under such a contract or agreement until the contract or agreement terminates or is modified or rescinded by the office to the extent allowed under the contract or agreement.

e. Any matters pending with the authority or plan, including grievances and independent reviews, payment claims, subrogation claims, drug rebate claims, and legal actions or causes of action, are transferred to the office and all materials submitted to and actions taken by the office with respect to a pending matter are considered as having been submitted to or taken by the authority or plan.

9. 'Health Insurance Risk–Sharing Plan advisory committee.'

a. There is created, 60 days after the date coverage under the plan terminates under subdivision 1. b., a Health Insurance Risk–Sharing Plan advisory committee consisting of the commissioner, or his or her designee, and the other 13 members of the board holding office on the date the advisory committee is created.

b. If a vacancy occurs on the Health Insurance Risk–Sharing Plan advisory committee, the governor shall appoint a successor, who must meet the same qualifications and criteria as the member who is being replaced.

c. The Health Insurance Risk–Sharing Plan advisory committee shall advise and assist the office with its duties under subdivision 8. related to the dissolution and winding up of the plan. The office shall staff and provide funding for the Health Insurance Risk–Sharing Plan advisory committee.

d. The Health Insurance Risk–Sharing Plan advisory committee shall terminate 60 days after the final audit of the plan is conducted by the legislative audit bureau under subdivision 10. b.

10. 'Audits.' The legislative audit bureau shall do all of the following:

a. Conduct its annual audit of the plan under section 13.94 (1) (dh) of the statutes for calendar year 2013 by June 30, 2014.

provides the final financial statements

b. Complete a final audit of the plan, after the termination of the plan in 2014, within 60 90 days after the office completes the winding up of the plan under subdivision 8. a. A.R.a.

c. File copies of the reports of both audits with the distributees specified in section 13.94 (1) (b) of the statutes. The costs of the audits shall be paid out of the funds of the authority and from the appropriation under section 20.145 (5) (g) of the statutes, as created by this act.

(2) MEDICARE SUPPLEMENT AND REPLACEMENT POLICY ISSUANCE.

(a) *Definitions.* In this subsection:

1. "Medicare" has the meaning given in section 149.10 (7) of the statutes.

2. "Medicare replacement policy" has the meaning given in section 600.03 (28p) of the statutes.

3. "Medicare supplement policy" has the meaning given in section 600.03 (28r) of the statutes.

4. "Plan" means the Health Insurance Risk–Sharing Plan under subchapter II of chapter 149 of the statutes.

(b) *Time–limited guaranteed issue.*

A.R.c.

1. An insurer offering a Medicare supplement policy or a Medicare replacement policy in this state shall provide coverage under the policy to any individual who satisfies all of the following:

a. The individual is eligible for Medicare.

b. The individual had coverage under the plan.

c. The individual's coverage under the plan terminated on the date specified in subsection (1) (b) 1. b.

63 days

1 d. The individual applies for coverage under the policy before the date that is
2 6 months after the date specified in subsection (1) (b) 1. b.
3 e. The individual pays the premium for the coverage under the policy.
4 2. An insurer under subdivision 1. may not deny coverage to any individual who
5 satisfies the criteria under subdivision 1. a. to e. on the basis of health status, receipt
6 of health care, claims experience, or medical condition, including disability.

Insert 32-6

7 **SECTION 9337. Initial applicability; Revenue.**
8 (1) HEALTH INSURANCE RISK-SHARING PLAN AUTHORITY; INCOME TAX. The
9 treatment of sections 71.26 (1) (be) and 71.65 (4) of the statutes first applies to
10 taxable years beginning on January 1, 2015.
11 **SECTION 9400. Effective dates; general.** Except as otherwise provided in
12 SECTIONS 9422 and 9437 of this act, this act takes effect on July 1, 2013, or on the day
13 after publication, whichever is later.
14 **SECTION 9422. Effective dates; Insurance.**
15 (1) NOTICE REGARDING THE HEALTH INSURANCE RISK-SHARING PLAN. The
16 treatment of sections 631.36 (7) (a) (intro.), 1., and 2. and (b) and 632.785 of the
17 statutes takes effect on December 31, 2013.
18 (2) DISSOLUTION OF THE HEALTH INSURANCE RISK-SHARING PLAN. The treatment
19 of sections 1.12 (1) (b), 13.172 (1), 13.62 (2), 13.94 (1) (dh) and (1s) (c) 4., 13.95 (intro.),
20 16.002 (2), 16.004 (4), (5), and (12) (a), 16.045 (1) (a), 16.15 (1) (ab), 16.41 (4), 16.417
21 (1) (a), 16.52 (7), 16.528 (1) (a), 16.53 (2), 16.54 (9) (a) 1., 16.70 (2), 16.72 (2) (e) (intro.)
22 and (f), 16.75 (1m), (8) (a) 1. and 2., and (9), 16.765 (1), (2), (4), (5), (6), (7) (intro.) and
23 (d), and (8), 16.85 (2), 16.865 (8), 20.435 (1) (am), 25.17 (63), 25.50 (1) (d), 40.02 (54)
24 (L), 49.67 (3) (am) 2. a. and (6) (b) 1., 49.686 (6), 101.055 (2) (a), 230.03 (3), 230.80 (4),
25 230.90 (1) (c), 601.41 (1), 601.415 (12), 601.64 (1), (3) (a) and (c), and (4), 613.03 (4),

631.20 (1) (c) 5. and (2) (f), 632.897 (11) (a), 646.01 (1) (a) 2. k., and 895.514 and chapter 149 of the statutes takes effect on January 1, 2015.

SECTION 9437. Effective dates; Revenue.

(1) HEALTH INSURANCE RISK-SHARING PLAN AUTHORITY; PROPERTY AND SALES TAXES. The treatment of sections 70.11 (41m) and 77.54 (9a) (a) of the statutes takes effect on January 1, 2015.

(2) HEALTH INSURANCE RISK-SHARING PLAN AUTHORITY; ASSESSMENTS CREDIT. The treatment of sections 71.07 (5g) (a), (b), and (c) 1., 71.28 (5g) (a), (b), and (c) 1., 71.47 (5g) (a), (b), and (c) 1., and 76.655 (1), (2), and (3) (a) of the statutes takes effect on January 1, 2015.

(3) HEALTH INSURANCE RISK-SHARING PLAN AUTHORITY; INCOME TAX. The treatment of sections 71.26 (1) (be), 71.65 (4), 71.78 (4) (i), and 71.80 (13) of the statutes takes effect on January 1, 2015.

(END)

INSERT 15–7

, including hiring consultants, limited–term employees, and experts and distributing residual monetary assets of the Health Insurance Risk–Sharing Plan

(END OF INSERT 15–7)

INSERT 25–5

(c) "Commissioner" means the commissioner of insurance of this state.

(END OF INSERT 25–5)

INSERT 28–10

for the dissolution of the plan

(END OF INSERT 28–10)

INSERT 29–1

alternative dispensations in the event that returning any remaining equity is not feasible or practical, such as

(END OF INSERT 29–1)

INSERT 32–6

(a) *Notice of requirement.* In addition to the requirement under subsection (1) (b) 1. b. to provide notice to the insurers described in paragraph (b) 1. of the date on which coverage under the plan terminates, within 60 days after the effective date of this paragraph the Health Insurance Risk–Sharing Plan Authority under subchapter III of chapter 149 of the statutes shall provide notice to the insurers described in paragraph (b) 1. of the requirement under this subsection.

(END OF INSERT 32–6)

4-22 Annie G. by phone

Wants to add "office" to the requirement on p 28 to make every effort to pay plan costs in accordance with s. 149.143