
AN ACT to renumber 40.02 (1); to amend 40.03 (6) (a), 40.03 (6) (b) and 632.895 (17) (b) (intro.); and to create 40.02 (1d), 40.03 (6) (k), 40.56 and 632.895 (17) (e) of the statutes; relating to: prohibiting the group insurance board from contracting for or providing abortion services and exempting religious employers, religious organizations, and religious institutions of higher education from contraceptive insurance coverage.

Analysis by the Legislative Reference Bureau

Under current law, the Group Insurance Board (GIB) enters into health insurance contracts and provides a health insurance plan on a self-insured basis for eligible employees under the Wisconsin Retirement System, which include all state employees and state annuitants and may include local government employees if the local governmental unit elects to participate in a GIB health insurance plan. Among the health care procedures that are currently covered under the health insurance contracts and the state self-insured health care plan are abortion services. This bill prohibits GIB from entering into any contract with respect to a group health insurance plan or providing a group health insurance plan on a self-insured basis that provides abortion services, with certain exceptions.

Under current law, disability insurance policies, also known as health insurance policies, and self-insured governmental and school district health plans must cover the cost of contraceptives prescribed by a health care provider and of
services that are necessary to prescribe, administer, maintain, or remove the contraceptive. Contraceptives are drugs or devices approved by the federal Food and Drug Administration to prevent pregnancy. This bill exempts from the coverage of contraceptives and related services an insurer that issues a group health insurance plan to a religious employer, religious organization, or religious institution of higher education, if that employer, organization, or institution meets the criteria specified in the bill.

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

**SECTION 1.** 40.02 (1) of the statutes is renumbered 40.02 (1m).

**SECTION 2.** 40.02 (1d) of the statutes is created to read:

40.02 (1d) “Abortion” has the meaning given in s. 253.10 (2) (a).

**SECTION 3.** 40.03 (6) (a) of the statutes is amended to read:

40.03 (6) (a) 1. Shall Except as provided in par. (k), shall, on behalf of the state, enter into a contract or contracts with one or more insurers authorized to transact insurance business in this state for the purpose of providing the group insurance plans provided for by this chapter; or

2. May Except as provided in par. (k), may, wholly or partially in lieu of subd. 1., on behalf of the state, provide any group insurance plan on a self−insured basis in which case the group insurance board shall approve a written description setting forth the terms and conditions of the plan, and may contract directly with providers of hospital, medical or ancillary services to provide insured employees with the benefits provided under this chapter.

**SECTION 4.** 40.03 (6) (b) of the statutes is amended to read:

40.03 (6) (b) May Except as provided in par. (k), may provide other group insurance plans for employees and their dependents and for annuitants and their dependents in addition to the group insurance plans specifically provided under this
chapter. The terms of the group insurance under this paragraph shall be determined
by contract, and shall provide that the employer is not liable for any obligations
accruing from the operation of any group insurance plan under this paragraph
except as agreed to by the employer.

**SECTION 5.** 40.03 (6) (k) of the statutes is created to read:

40.03 (6) (k) May not enter into, extend, modify, or renew any contract for a
group insurance plan or provide a group insurance plan or other benefit on a
self−insured basis that provides coverage or services for an abortion, the
performance of which is ineligible for funding under s. 20.927.

**SECTION 6.** 40.56 of the statutes is created to read:

40.56 **Abortion coverage prohibited.** No abortion coverage or services, the
performance of which is ineligible for funding under s. 20.927, may be provided in
a health insurance plan or health care coverage plan offered under this subchapter.

**SECTION 7.** 632.895 (17) (b) (intro.) of the statutes is amended to read:

632.895 (17) (b) (intro.) **Every** Except as provided in par. (e), every disability
insurance policy, and every self−insured health plan of the state or of a county, city,
town, village, or school district, that provides coverage of outpatient health care
services, preventive treatments and services, or prescription drugs and devices shall
provide coverage for all of the following:

**SECTION 8.** 632.895 (17) (e) of the statutes is created to read:

632.895 (17) (e) An insurer that issues a group disability insurance policy to
any of the following is not required to provide the coverage under par. (b) under that
policy:

1. A religious employer that is organized and operates as a nonprofit entity as
described in 26 USC 6033 (a) (3) (A) (i) or (iii).
2. A religious organization or religious institution of higher education that meets all of the following criteria:
   a. The organization or institution opposes providing coverage for some or all contraceptive services on account of religious objections.
   b. The organization or institution is organized and operates as a nonprofit entity.
   c. The organization or institution holds itself out as a religious organization or institution.
   d. The organization or institution certifies in writing, signed by an authorized representative, that it meets the criteria in subd. 2. a. to c. and maintains that certification in its records for the plan year for which it seeks an exemption from the coverage under par. (b).

SECTION 9. Initial applicability.
(1) The treatment of sections 40.02 (1) and (1d), 40.03 (6) (a), (b), and (k), and 40.56 of the statutes first applies to contracts for group health insurance plans that are entered into, extended, modified, or renewed on the effective date of this subsection.