

## State of Wisconsin / OFFICE OF THE COMMISSIONER OF INSURANCE

Tony Evers, Governor Mark V. Afable, Commissioner

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SA2-AB56 (LRBb0574/1)

June 27, 2019

Mr. Jeff Renk Senate Chief Clerk State Capitol P.O. Box 7882 Madison, WI 53707 Mr. Patrick Fuller Assembly Chief Clerk 17 West Main Street Room 410 Madison, WI 53703

Re: Social and Financial Impact Report—2019 Assembly Substitute Amendment 1, to Assembly Bill 56 and Senate Amendment 2, to Assembly Bill 56.

Dear Chief Clerks Renk and Fuller:

Pursuant to Wis. Stat. § 601.423, the Office of the Commissioner of Insurance (OCI) is submitting this letter regarding a social and financial impact report on 2019 Assembly Substitute Amendment 1, to Assembly Bill 56 relating to state finances and appropriations, constituting the executive budget act of the 2019 legislature and Senate Amendment 2, to Assembly Bill 56.

## 2019 Assembly Substitute Amendment 1, to Assembly Bill 56

OCI has determined that the Assembly Substitute Amendment 1 to the 2019 executive budget act does not require OCI to prepare a social and financial impact report as the provisions of the Substitute Amendment 1 do not meet any of the following criteria:

- 1. Permit an insured to seek coverage from a specific type of provider;
- 2. Require coverage or a specific benefit design for a particular disease, condition or other healthcare need;
- 3. Require coverage of a particular treatment, equipment or drug;
- 4. Require coverage for a particular person because of their relation to the insured;
- 5. Requires a particular benefit design or imposes conditions on cost sharing under an insurance policy, plan, or contract for the treatment of a particular disease, condition, or other health care need, for a particular type of health care treatment or service, or for the provision of equipment, supplies, or drugs used in connection with a health care treatment or service;
- 6. Imposes limits or conditions on a contract between an insurer and a health care provider, as defined in Wis. Stat. § 146.81 (1).

## Senate Amendment 2, to Assembly Bill 56

OCI has determined Senate Amendment 2 to the 2019 executive budget act does not require OCI to prepare a social and financial impact report as Substitute Amendment 2 meets the following exception:

1. Pursuant to Wis. Stat. § 601.423 (2) (b) 2., OCI is not required to prepare or submit a social and financial impact report for an amendment if, by the end of the next business day after receiving a copy of the amendment for the Legislative Reference Bureau, the amendment has failed to be adopted by the legislature.

Specifically, on June 26, 2019, Senate Amendment 2, to Assembly Bill 56 was rejected by the State Senate by a vote of 19-14.

For these reasons, my office is not intending to prepare social and financial impact reports as allowed under Wis. Stat. §13.0966 (2) (b).

Please contact Olivia Hwang at (608) 267-9460 or <u>Olivia.Hwang@wisconsin.gov</u> if you have any questions.

Respectfully Submitted

Mark V. Afable Commissioner

Cc: The Honorable Tony Evers, Governor of Wisconsin