



## WISCONSIN LEGISLATIVE COUNCIL AMENDMENT MEMO

**2005 Assembly Bill 1052**

**Assembly Amendment 1**

*Memo published:* March 1, 2006

*Contact:* Joyce L. Kiel, Senior Staff Attorney (266-3137)

Current law contains various provisions that apply specifically to defined network plans and preferred provider plans (PPPs). (PPPs that offer comprehensive health care services are included in the definition of defined network plans; PPPs that offer limited health care services are not defined network plans.) 2005 Assembly Bill 1052 makes various changes relating to defined network plans and PPPs. The provisions in the bill relating to access standards for health care providers and required notice in marketing materials are affected by Assembly Amendment 1 to the bill as follows:

### **Access Standards for Health Care Providers**

*Current law* requires every defined network plan to include a sufficient number and sufficient types of qualified health care providers to meet the anticipated needs of its enrollees, as appropriate to the type of plan and consistent with normal practices and standards in the geographic area.

*Assembly Bill 1052* provides that a PPP meets this requirement if the PPP does both of the following:

- Ensures that each enrollee has access, consistent with normal practices and standards in the geographic area, to at least one primary care provider.
- Ensures that, for the provision of obstetric and gynecologic services, each female enrollee has access, consistent with normal practices and standards in the geographic area, to at least one *primary care provider* who provides obstetric and gynecologic services.

*Assembly Amendment 1* to the bill modifies this second point to read that a PPP ensures that, for the provision of obstetric and gynecologic services, each female enrollee has access, consistent with normal practices and standards in the geographic area, to at least one *physician who specializes in obstetrics and gynecology*.

**Required Notice in Marketing Materials**

*Assembly Bill 1052* requires a defined network plan to include in its marketing materials, either verbatim or in substantially similar language, the notice set forth in the bill informing prospective enrollees that benefits may be reduced when nonparticipating providers are used. In addition, the bill specifies that the Commissioner of Insurance may not promulgate an administrative rule that requires a defined network plan to provide notice about nonparticipating provider limitations in addition to this notice in marketing materials.

*Assembly Amendment 1* to the bill specifies that the required notice in marketing materials applies to PPPs and point-of-service plans, rather than to all defined network plans. It also requires that the marketing materials include information, understandable to a layperson, describing the differences in benefits when using participating and nonparticipating providers. The amendment specifies that this requirement may be satisfied by including the notice set forth in the bill. Additionally, the amendment specifies that the Commissioner may not promulgate a rule that requires a PPP or point-of-service plan (rather than referring to a defined network plan as in the bill) to provide notice about nonparticipating provider limitations in addition to this notice in marketing materials.

**Legislative History**

Assembly Amendment 1 was introduced by the Assembly Committee on Insurance. The committee recommended adoption of the amendment on a vote of Ayes, 13; Noes, 1. The committee then recommended passage of the bill, as amended, on a vote of Ayes, 9; Noes, 5.

JLK:tlu:ksm