



**WISCONSIN LEGISLATIVE COUNCIL
AMENDMENT MEMO**

2011 Senate Bill 487	Senate Amendment 1
<i>Memo published: March 7, 2012</i>	
<i>Contact: Margit Kelley, Staff Attorney (266-9280)</i>	

2011 SENATE BILL 487

Senate Bill 487 modifies the definition of a third party that must provide information to the Department of Health Services (DHS) about coverage or benefits provided to a person who is also a recipient of Medical Assistance or other health care assistance. Specifically, the bill corrects a federal law citation, redefines a pharmacy benefits manager to more broadly include a prescription-only drug benefit plan, and adds a self-insured plan, and a third-party administrator of a benefit plan.

The modifications are consistent with federal third-party liability requirements given in 42 U.S.C. 1396a (a) (25) (I), and are effective immediately after enactment and publication of the bill.

SENATE AMENDMENT 1

Senate Amendment 1 makes the following changes to the bill:

- Allows an employer to withhold their name, unless required by DHS in obtaining a third-party liability payment.
- Specifies that DHS must first seek coverage and benefits information from a third-party administrator of a benefit plan or pharmacy benefits manager, before going to an employer operating a self-insured plan.
- Specifies that information provided to DHS may only be used for purposes of third-party liability.
- Delays the effective date of the bill to the first day of the seventh month after publication.

LEGISLATIVE HISTORY

Senate Bill 487 was introduced on February 16, 2012, by Senator Galloway. On February 28, 2012, Senator Galloway introduced Senate Amendment 1, which was adopted by the Senate Committee on Insurance and Housing on February 29, 2012, on a vote of Ayes, 6; Noes, 0; Absent, 1. The committee also recommended passage of the bill, as amended, on a vote of Ayes, 4; Noes, 2; Absent, 1.

MSK:ty