



WISCONSIN LEGISLATIVE COUNCIL AMENDMENT MEMO

2015 Assembly Bill 856

Assembly Amendment 1

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Contact: Steve McCarthy, Staff Attorney (266-9791)

2015 ASSEMBLY BILL 856

Current law authorizes the Department of Health Services (“DHS”) to contract with managed care organizations (“MCOs”) to provide services under the Family Care program. MCOs may include a long-term care district (“LTCD”), which is a special-purpose district created by a county, tribe, or band, or a combination of counties, tribes, and/or bands.

2015 Assembly Bill 856 (“AB 856”) modifies the statutes governing long-term care districts and care management organizations. Among other changes, AB 856 provides that a LTCD with a contract to operate as an MCO may create a nonstock, nonprofit corporation or a service insurance corporation, which may assume the contract to operate as an MCO, subject to the approval of both DHS and the Office of the Commissioner of Insurance (OCI). AB 856 also provides, in a non-statutory provision, that DHS’s waiver request to modify the state’s long-term care programs must include provisions allowing LTCDs to operate integrated health agencies under the new program.

ASSEMBLY AMENDMENT 1

Current law includes an exemption from chs. 600 to 646, Stats., relating to insurance, for long-term care services provided by an MCO under the Family Care program. However, the exemption does not apply to an MCO that provides hospital, physician, or other acute health care services, in addition to long-term care services.

Assembly Amendment 1 (“AA 1”) to AB 856 specifies that the exemption from chs. 600 to 646 does not apply to a nonstock, nonprofit corporation, or a service insurance corporation created by a LTCD, if it provides hospital, physician, or other acute health care services, in addition to long-term care services.

AA 1 also removes the non-statutory provision requiring DHS's waiver request to allow LTCDs to operate under the state's new long-term care program.

BILL HISTORY

AA 1 was offered by Representative Krug on February 9, 2016. On February 10, 2016, the Joint Committee on Finance recommended adoption of AA 1, and passage of the bill, as amended, on votes of Ayes, 16; Noes, 0.

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