



## WISCONSIN LEGISLATIVE COUNCIL AMENDMENT MEMO

**2015 Senate Bill 687**

**Senate Amendment 1**

*Memo published:* February 16, 2016

*Contact:* Brian Larson, Staff Attorney (266-0680)

### **2015 SENATE BILL 687**

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 Senate Bill 687 (“SB 687”) modifies the statutes governing long-term care districts and care management organizations. Among other changes, SB 687 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). SB 687 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.

### **SENATE 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.

Senate Amendment 1 (“SA 1”) to SB 687 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.

SA 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**

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

BL:jal