



State of Wisconsin
2005 - 2006 LEGISLATURE

LRB-0434/1
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2005 ASSEMBLY BILL 799

October 31, 2005 – Introduced by Representative BLACK. Referred to Committee on Insurance.

1 **AN ACT to amend** 40.51 (8), 40.51 (8m), 66.0137 (4), 111.91 (2) (n), 120.13 (2) (g),
2 185.981 (4t) and 185.983 (1) (intro.); and **to create** 609.87 and 632.895 (15) of
3 the statutes; **relating to:** health insurance coverage of smoking cessation
4 treatment and medications.

Analysis by the Legislative Reference Bureau

This bill requires a health care plan to provide coverage of smoking cessation treatment that is provided in conformity with recommendations set forth in a publication of the federal Agency for Healthcare Research and Quality, as well as coverage of certain specified smoking cessation medications. The coverage requirement applies to both individual and group health insurance policies and plans, including defined network plans and plans offered by cooperative sickness care associations; to health care plans offered by the state to its employees, including a self-insured plan; and to self-insured health plans of counties, cities, towns, villages, and school districts. The requirement does not apply to health care plans that are offered by limited service health organizations or to health care plans that cover only specified diseases. The requirement may be subject to any limitations, exclusions, or cost-sharing provisions that apply generally under the policy or plan.

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For further information see the *state and local* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1 **SECTION 1.** 40.51 (8) of the statutes is amended to read:

2 40.51 (8) Every health care coverage plan offered by the state under sub. (6)
3 shall comply with ss. 631.89, 631.90, 631.93 (2), 631.95, 632.72 (2), 632.746 (1) to (8)
4 and (10), 632.747, 632.748, 632.83, 632.835, 632.85, 632.853, 632.855, 632.87 (3) to
5 (5), 632.895 (5m) and (8) to ~~(14)~~ (15), and 632.896.

6 **SECTION 2.** 40.51 (8m) of the statutes is amended to read:

7 40.51 (8m) Every health care coverage plan offered by the group insurance
8 board under sub. (7) shall comply with ss. 631.95, 632.746 (1) to (8) and (10), 632.747,
9 632.748, 632.83, 632.835, 632.85, 632.853, 632.855, and 632.895 (11) to ~~(14)~~ (15).

10 **SECTION 3.** 66.0137 (4) of the statutes is amended to read:

11 66.0137 (4) SELF-INSURED HEALTH PLANS. If a city, including a 1st class city, or
12 a village provides health care benefits under its home rule power, or if a town
13 provides health care benefits, to its officers and employees on a self-insured basis,
14 the self-insured plan shall comply with ss. 49.493 (3) (d), 631.89, 631.90, 631.93 (2),
15 632.746 (10) (a) 2. and (b) 2., 632.747 (3), 632.85, 632.853, 632.855, 632.87 (4) and (5),
16 632.895 (9) to ~~(14)~~ (15), 632.896, and 767.25 (4m) (d).

17 **SECTION 4.** 111.91 (2) (n) of the statutes is amended to read:

18 111.91 (2) (n) The provision to employees of the health insurance coverage
19 required under s. 632.895 (11) to ~~(14)~~ (15).

20 **SECTION 5.** 120.13 (2) (g) of the statutes is amended to read:

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1 120.13 (2) (g) Every self-insured plan under par. (b) shall comply with ss.
2 49.493 (3) (d), 631.89, 631.90, 631.93 (2), 632.746 (10) (a) 2. and (b) 2., 632.747 (3),
3 632.85, 632.853, 632.855, 632.87 (4) and (5), 632.895 (9) to ~~(14)~~ (15), 632.896, and
4 767.25 (4m) (d).

5 **SECTION 6.** 185.981 (4t) of the statutes is amended to read:

6 185.981 (4t) A sickness care plan operated by a cooperative association is
7 subject to ss. 252.14, 631.17, 631.89, 631.95, 632.72 (2), 632.745 to 632.749, 632.85,
8 632.853, 632.855, 632.87 (2m), (3), (4), and (5), 632.895 (10) to ~~(14)~~ (15), and 632.897
9 (10) and chs. 149 and 155.

10 **SECTION 7.** 185.983 (1) (intro.) of the statutes is amended to read:

11 185.983 (1) (intro.) Every such voluntary nonprofit sickness care plan shall be
12 exempt from chs. 600 to 646, with the exception of ss. 601.04, 601.13, 601.31, 601.41,
13 601.42, 601.43, 601.44, 601.45, 611.67, 619.04, 628.34 (10), 631.17, 631.89, 631.93,
14 631.95, 632.72 (2), 632.745 to 632.749, 632.775, 632.79, 632.795, 632.85, 632.853,
15 632.855, 632.87 (2m), (3), (4), and (5), 632.895 (5) and (9) to ~~(14)~~ (15), 632.896, and
16 632.897 (10) and chs. 609, 630, 635, 645, and 646, but the sponsoring association
17 shall:

18 **SECTION 8.** 609.87 of the statutes is created to read:

19 **609.87 Coverage of smoking cessation treatment.** Defined network plans
20 are subject to s. 632.895 (15).

21 **SECTION 9.** 632.895 (15) of the statutes is created to read:

22 632.895 (15) **SMOKING CESSATION TREATMENT AND MEDICATION.** (a) In this
23 subsection, "self-insured health plan" means a self-insured health plan of the state
24 or a county, city, village, town, or school district.

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1 (b) 1. Subject to subd. 2. and except as provided in par. (e), every disability
2 insurance policy and every self-insured health plan shall provide coverage of
3 smoking cessation treatment that is provided in conformity with the
4 recommendations set forth in Tobacco Cessation Guideline, released on June 27,
5 2000, by the federal department of health and human services, agency for healthcare
6 research and quality.

7 2. A disability insurance policy or self-insured health plan is not required to
8 cover smoking cessation treatment more than 3 times for any insured individual.

9 (c) Except as provided in par. (e), every disability insurance policy and every
10 self-insured health plan shall provide coverage of all of the following medications if
11 approved for use by the federal food and drug administration and if prescribed for
12 smoking cessation:

13 1. Nicotine gum.

14 2. Nicotine patch.

15 3. Nicotine nasal spray.

16 4. Nicotine inhaler.

17 5. Zyban or its generic equivalent.

18 (d) The coverage required under pars. (b) and (c) may be subject to any
19 limitations, exclusions, or cost-sharing provisions that apply generally under the
20 disability insurance policy or self-insured health plan.

21 (e) This subsection does not apply to any of the following:

22 1. A limited service health organization, as defined in s. 609.01 (3).

23 2. A preferred provider plan, as defined in s. 609.01 (4), that is not a defined
24 network plan, as defined in s. 609.01 (1b).

25 3. A disability insurance policy that covers only certain specified diseases.

ASSEMBLY BILL 799**SECTION 10. Initial applicability.**

(1) This act first applies to all of the following:

(a) Except as provided in paragraphs (b) and (c), disability insurance policies that are issued or renewed, and self-insured health plans that are established, extended, modified, or renewed, on the effective date of this paragraph.

(b) Disability insurance policies covering employees who are affected by a collective bargaining agreement containing provisions inconsistent with this act that are issued or renewed on the earlier of the following:

1. The day on which the collective bargaining agreement expires.

2. The day on which the collective bargaining agreement is extended, modified, or renewed.

(c) Self-insured health plans covering employees who are affected by a collective bargaining agreement containing provisions inconsistent with this act that are established, extended, modified, or renewed on the earlier of the following:

1. The day on which the collective bargaining agreement expires.

2. The day on which the collective bargaining agreement is extended, modified, or renewed.

SECTION 11. Effective date.

(1) This act takes effect on the first day of the 6th month beginning after publication.

(END)