

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRBs0030/1dn
RAC:wlj:jf

March 29, 1999

I have prepared this substitute amendment to achieve your intent to require the department of employe trust funds (DETF) to contract out for the administration of the health care coverage plan for private employers. In places, I have deviated from the proposed language for the purpose of clarity and consistency and to ensure that your intent is accomplished. Please note in particular the following:

1. There seems to be some inconsistency with respect to the use of the concepts "health care coverage plan", "health care coverage" and "small employer health care purchasing alliance". For the sake of consistency and clarity, I have done the following: first, I have required DETF to design the "health care coverage plan"; second, I have specified that the "health care coverage plan" shall be known as the "Private Employer Health Care Purchasing Alliance". I have not referred to small employers because coverage under the plan is available to any private sector employer with at least two employes. Even though the draft continues to refer to the "health care coverage plan", the plan will be known as the "Private Employer Health Care Purchasing Alliance". Finally, I have required DETF to contract for the provision of "health care coverage" under the "health care coverage plan".

2. Because the sunset date for the Private Employer Health Care Purchasing Alliance has been moved back to January 1, 2010, I adjusted the date on which the legislative audit bureau must file its copy of the program evaluation of the Private Employer Health Care Purchasing Alliance. The new date is January 1, 2008.

3. Because the Private Employer Health Care Purchasing Alliance will now be administered by a private third party, there is no longer any reason to retain the reporting provision in s. 40.98 (7) (b).

4. Please note that the requirement that DETF must solicit and accept bids for the administration of the Private Employer Health Care Purchasing Alliance may be found in s. 40.98 (2) (f).

If you have any questions about this substitute amendment, please do not hesitate to contact me.

Richard A. Champagne
Legislative Attorney
Phone: (608) 266-9930
E-mail: Rick.Champagne@legis.state.wi.us