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1999 ASSEMBLY BILL 430

August 19, 1999 – Introduced by Representatives SINICKI, J. LEHMAN, YOUNG, BOCK, RICHARDS, POCAN and BOYLE, cosponsored by Senators ROBSON, CLAUSING and WIRCH. Referred to Committee on Health.

AN ACT ***to amend*** 609.05 (2) and 609.05 (3); and ***to create*** 609.22 (4m) of the statutes; **relating to:** prohibiting managed care plans from requiring referrals for obstetric or gynecologic services.

Analysis by the Legislative Reference Bureau

Under current law, a managed care plan (which is a health benefit plan that requires or creates incentives for an enrollee to obtain health care services from providers under contract with or employed by the health benefit plan) may require an enrollee to designate a primary provider from among its participating providers, to obtain health care services from the primary provider whenever reasonably possible and to obtain a referral from the primary provider to another participating provider before obtaining services from that other participating provider. However, current law also requires a managed care plan to establish a procedure whereby an enrollee may obtain a standing referral to obtain services from a participating provider who is a specialist.

This bill provides that a managed care plan that covers obstetric or gynecologic services must cover those services if obtained from a participating provider who is a physician specializing in obstetrics and gynecology by a female enrollee without a referral, even if that participating provider is not the female enrollee's primary provider. In addition, the managed care plan may not require the female enrollee to obtain a standing referral to the participating provider for the coverage. The bill provides that a managed care plan may not penalize or restrict a female enrollee's coverage on account of her having obtained the services without a referral and may

not penalize or restrict the contract of a provider on account of his or her having provided the services without a referral. A managed care plan must provide written notice of the requirement in its policies and group certificates and, at open enrollment time, to each female enrollee and each female applicant for coverage.

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:

SECTION 1. 609.05 (2) of the statutes is amended to read:

609.05 **(2)** Subject to s. 609.22 (4) and (4m), a limited service health organization, preferred provider plan or managed care plan may require an enrollee to designate a primary provider and to obtain health care services from the primary provider when reasonably possible.

SECTION 2. 609.05 (3) of the statutes is amended to read:

609.05 **(3)** Except as provided in ss. 609.22 (4m), 609.65 and 609.655, a limited service health organization, preferred provider plan or managed care plan may require an enrollee to obtain a referral from the primary provider designated under sub. (2) to another participating provider prior to obtaining health care services from that participating provider.

SECTION 3. 609.22 (4m) of the statutes is created to read:

609.22 **(4m)** OBSTETRIC AND GYNECOLOGIC SERVICES. (a) A managed care plan that provides coverage of obstetric or gynecologic services may not require a female enrollee of the managed care plan to obtain a referral for coverage of those services provided by a participating provider who is a physician licensed under ch. 448 and who specializes in obstetrics and gynecology, regardless of whether the participating provider is the enrollee's primary provider. Notwithstanding sub. (4), the managed care plan may not require the enrollee to obtain a standing referral under the

procedure established under sub. (4) (a) for coverage of the services specified in this paragraph.

(b) A managed care plan under par. (a) may not do any of the following:

1. Penalize or restrict the coverage of a female enrollee on account of her having obtained obstetric or gynecologic services in the manner provided under par. (a).

2. Penalize or restrict the contract of a participating provider on account of his or her having provided obstetric or gynecologic services in the manner provided under par. (a).

(c) A managed care plan under par. (a) shall provide written notice of the requirement under par. (a) in each policy or group certificate issued by the managed care plan and, during each open enrollment period, to each female enrollee and each female applicant for coverage.

SECTION 4. Initial applicability.

(1) INCONSISTENT PROVISIONS. Except as provided in subsection (2), if a policy or certificate that is affected by this act contains terms or provisions that are inconsistent with this act, this act first applies to that policy or certificate upon renewal.

(2) COLLECTIVE BARGAINING AGREEMENT WITH INCONSISTENT PROVISIONS. This act first applies to policies and group certificates covering employes who are affected by a collective bargaining agreement containing provisions that are inconsistent with this act that are issued or renewed on the earlier of the following:

(a) The day on which the collective bargaining agreement expires.

(b) The day on which the collective bargaining agreement is extended, modified or renewed.

(END)