

1999 DRAFTING REQUEST

Assembly Amendment (AA-ASA1-AB133)

Received: **06/23/99**

Received By: **kahlepj**

Wanted: **Soon**

Identical to LRB:

For: **Senate Democratic Caucus**

By/Representing: **Walter**

This file may be shown to any legislator: **NO**

Drafter: **kahlepj**

May Contact:

Alt. Drafters: **champra**

Subject: **Insurance - health**

Extra Copies:

Pre Topic:

SDC:.....Walter - Caucus #2760,

Topic:

Require point-of-service coverage option

Instructions:

See Attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	kahlepj 06/23/99	gilfokm 06/27/99		_____			
/1			ismith 06/28/99	_____	lrb_docadmin 06/28/99		

FE Sent For:

<END>

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1/?	kahlepj	11-6-97 tmg	IS 6/28	IS/SH 6/28			

FE Sent For:

<END>

SDC

yes

Agency: Insurance

caucus number 1839

duplicate flag:
duplicate with:

Other reference numbers:	LFB Sum #:
bill number/amendment number:	LRB P-draft:
LRB draft # 2664/2	

description: Relating to prohibiting managed care plans from requiring referrals for obstetric or gynecologic services.

other notes

drafting instructions: See attached.

more instructions:

caucus number 2760

duplicate flag:
duplicate with:

Other reference numbers:	LFB Sum #:
bill number/amendment number:	LRB P-draft:
LRB draft # 2077 and b0169	

description: Integrate LRb 2077 and LRB b0169 to clarify that standard health insurance plans offered to state employes by the group insurance board do not include premium costs related to point-of-service coverage required to be offered in each service area.

other notes

drafting instructions: See attached

more instructions:

Agency: **Insurance**

Number of Amendments: 2

B1073

CN 2760 +

Insurance—Point-of-Service

Integrate LRB-2077 and LRBb-0169 to clarify that standard health insurance plans offered to *state employees* by the group insurance board, do *not* include premium costs related to point-of-service coverage required to be offered in each geographical service area of managed care plans.

Draft 2077 amended w/6-0169

Sue

DOA:.....Jablonsky - Require health maintenance organizations to offer point-of-service coverage

FOR 1999-01 BUDGET -- NOT READY FOR INTRODUCTION

Consolidated 2/1/99

1 AN ACT ...; relating to: the budget.

Analysis by the Legislative Reference Bureau

INSURANCE

The bill requires every managed care plan, which is, generally, a health care plan that requires insureds to obtain services from certain specified providers under contract with the health care plan, to offer at least one point-of-service coverage option in each geographical service area of the managed care plan. A point-of-service coverage option is defined in the bill as a coverage option under which an insured may obtain health care services that are paid for by the health care plan from a provider of his or her choice, regardless of whether that provider is a participating provider of the insured's health care plan or a member of the health care plan's provider network.

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:

2 SECTION 1. 111.91 (2) (r) of the statutes is created to read:

1 111.91 (2) (r) The requirements related to offering point-of-service coverage
2 under s. 609.23.

3 SECTION 2. 609.23 of the statutes is created to read:

4 609.23 Point-of-service coverage option. (1) In this section,
5 "point-of-service coverage option" means a health care plan coverage option under
6 which all of the following apply:

7 (a) An insured may obtain health care services from a provider of his or her
8 choice.

9 (b) A provider selected under par. (a) is not necessarily a participating provider
10 of the health care plan or a member of the health care plan's network of providers.

11 (c) The health care plan reimburses a provider selected under par. (a) for the
12 cost of services provided to the insured if the provider is appropriately licensed and
13 the services provided are covered under the health care plan.

14 (2) Notwithstanding ss. 609.05 (2) and 628.36 (2) (b) 1. and 3., a managed care
15 plan shall offer to its enrollees at least one point-of-service coverage option in each
16 geographic service area of the managed care plan.

17 SECTION 9326. Initial applicability; insurance.

18 (1) POINT-OF-SERVICE COVERAGE. The treatment of sections 111.91 (2) (r) and
19 609.23 of the statutes first applies to all of the following:

20 (a) Except as provided in paragraph (b), managed care plans that are issued
21 or renewed on the effective date of this paragraph.

22 (b) Managed care plans covering employees who are affected by a collective
23 bargaining agreement containing provisions inconsistent with sections 111.91 (2) (r)
24 and 609.23 of the statutes that are issued or renewed on the earlier of the following:

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

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

SECTION 9426. Effective dates; insurance.

(1) **POINT-OF-SERVICE COVERAGE.** The treatment of sections 111.91 (2) (r) and 609.23 of the statutes and SECTION 9326 (1) of this act take effect on the first day of the 6th month beginning after publication.

(END)



State of Wisconsin
1999 - 2000 LEGISLATURE

LRBb0169/1
RAC&PJK:jlg:km

SENATE AMENDMENT ,
TO 1999 SENATE BILL 45

1 At the locations indicated, amend the bill as follows:

2 1. Page 559, line 10: after that line insert:

3 "SECTION 939c. 40.05 (4) (ag) 2. of the statutes is amended to read:

4 40.05 (4) (ag) 2. For eligible employes not specified in subd. 1., 90% of the gross
5 premium for the standard health insurance plan offered to state employes by the
6 group insurance board or 105% of the gross premium, excluding any premium cost
7 related to point-of-service coverage required to be offered under s. 609.23, of the
8 alternative qualifying plan offered under s. 40.03 (6) that is the least costly
9 qualifying plan within the county in which the alternate plan is located, whichever
10 is lower, but not more than the total amount of the premium. Employer contributions
11 for employes who select the standard plan shall be based on their county of residence.
12 Qualifying health insurance plans shall be determined in accordance with standards
13 established by the group insurance board."

1999

Date (time) needed

(6-23-99)

SOON

LRB b 1073 1 (

CAUCUS BUDGET AMENDMENT
[ONLY FOR CAUCUS]

D-vote

PJK +RAC
↑ : AMJ:

See form AMENDMENTS — COMPONENTS & ITEMS.

SDC

CAUCUS AMENDMENT
TO ASSEMBLY SUBSTITUTE AMENDMENT 1
TO 1999 ASSEMBLY BILL 133

>>FOR CAUCUS SUPERAMENDMENT — NOT FOR INTRODUCTION<<

At the locations indicated, amend the substitute amendment as follows:

- #. Page , line :
- #. Page , line :
- #. Page , line :
- #. Page , line :
- #. Page , line :
- #. Page , line :





State of Wisconsin
1999 - 2000 LEGISLATURE

LRBb0169/1
RAC&PJK:jlg:km

SENATE AMENDMENT,
TO 1999 SENATE BILL 45

1 At the locations indicated, amend the bill as follows:

2 ⁵³⁵ ✓ 1. Page ~~530~~¹⁰⁹³, line ~~20~~⁶: after that line insert:

3 "SECTION ~~939c~~^{940d}. 40.05 (4) (ag) 2. of the statutes is amended to read:

4 40.05 (4) (ag) 2. For eligible employes not specified in subd. 1., 90% of the gross
5 premium for the standard health insurance plan offered to state employes by the
6 group insurance board or 105% of the gross premium, excluding any premium cost
7 related to point-of-service coverage required to be offered under s. 609.23, of the
8 alternative qualifying plan offered under s. 40.03 (6) that is the least costly
9 qualifying plan within the county in which the alternate plan is located, whichever
10 is lower, but not more than the total amount of the premium. Employer contributions
11 for employes who select the standard plan shall be based on their county of residence.
12 Qualifying health insurance plans shall be determined in accordance with standards
13 established by the group insurance board."

→ #. Page 1093, line 2: after that line insert:



State of Wisconsin
1999 - 2000 LEGISLATURE

LRB-2077/1
PJK:kmg:jf

DOA:.....Jablonsky - Require health maintenance organizations to offer point-of-service coverage

FOR 1999-01 BUDGET — NOT READY FOR INTRODUCTION

1 AN ACT ...; relating to: the budget.

Analysis by the Legislative Reference Bureau

INSURANCE

The bill requires every managed care plan, which is, generally, a health care plan that requires insureds to obtain services from certain specified providers under contract with the health care plan, to offer at least one point-of-service coverage option in each geographical service area of the managed care plan. A point-of-service coverage option is defined in the bill as a coverage option under which an insured may obtain health care services that are paid for by the health care plan from a provider of his or her choice, regardless of whether that provider is a participating provider of the insured's health care plan or a member of the health care plan's provider network.

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:

2

SECTION ^{2037c} 111.91 (2) (r) of the statutes is created to read:

#. Page 1404, line 15: after that line insert:

1 111.91 (2) (r) The requirements related to offering point-of-service coverage
2 under s. 609.23.

3 " SECTION 609.23 of the statutes is created to read:

4 609.23 Point-of-service coverage option. (1) In this section,
5 "point-of-service coverage option" means a health ~~care~~ plan coverage option under
6 which all of the following apply:

7 (a) An insured may obtain health care services from a provider of his or her
8 choice.

9 (b) A provider selected under par. (a) is not necessarily a participating provider
10 of the health ~~care~~ plan or a member of the health ~~care~~ plan's network of providers.

11 (c) The health ~~care~~ plan reimburses a provider selected under par. (a) for the
12 cost of services provided to the insured if the provider is appropriately licensed and
13 the services provided are covered under the health ~~care~~ plan.

14 (2) ^(a) Notwithstanding ss. 609.05 (2) and 628.36 (2) (b) 1. and 3., a managed care
15 plan shall offer to its enrollees at least one point-of-service coverage option in each
16 geographic service area of the managed care plan.

17 SECTION 9326. Initial applicability, insurance!

18 " (a) POINT-OF-SERVICE COVERAGE. The treatment of sections 111.91 (2) (r) and
19 609.23 of the statutes first applies to all of the following:

20 (a) Except as provided in paragraph (b), managed care plans that are issued
21 or renewed on the effective date of this paragraph.

22 (b) Managed care plans covering employees who are affected by a collective
23 bargaining agreement containing provisions inconsistent with sections 111.91 (2) (r)
24 and 609.23 of the statutes that are issued or renewed on the earlier of the following:

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

benefit

40.05(4)(ag)2.

#. Page 1592, line 23: after that line insert:

Insert 2-16

9

Insert 2-16 ✓

- 1 **2.** Page 1293, line 16: on lines 16, 21, 22 and 24, delete "health care plan" and
- 2 substitute "health benefit plan".
- 3 **3.** Page 1293, line 21: delete "health care plan's network" and substitute
- 4 "health benefit plan's network".
- 5 **4.** Page 1294, line 1: after "(2)" insert "(a)".
- 6 **5.** Page 1294, line 3: after that line insert:

7 ^e(b) An enrollee who selects point-of-service coverage shall be responsible for

8 any extra costs associated with the coverage, including additional administrative

9 costs and provider fees. Nothing in this section is intended to require a managed care

10 plan to incur any additional costs resulting from the selection by an enrollee of

11 point-of-service coverage.

12 (c) The commissioner shall ensure that premium rates, copayments,

13 deductibles or any other cost-sharing provisions related to point-of-service

14 coverage are based on sound actuarial principles and supported by reliable data or

15 actual or reasonably anticipated experience." ← *keep*

- 16 **6.** Page 1453, line 22: after "sections" insert "40.05 (4) (ag) 2.,".
- 17 **7.** Page 1454, line 2: after "sections" insert "40.05 (4) (ag) 2.,".
- 18 **8.** Page 1473, line 23: after "sections" insert "40.05 (4) (ag) 2.,".

(END) *of ins. 2-16)*

**DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU**

LRBb1073/1dn
PJK:kmg:ijs

June 27, 1999

An amendment that was introduced to Joint Finance (before this provision was deleted by Joint Finance) changed "its enrollees" in s. 609.23 (2) (a) to "employers". Do you want this amendment changed in that way?

Pamela J. Kahler
Senior Legislative Attorney
Phone: (608) 266-2682
E-mail: Pam.Kahler@legis.state.wi.us



State of Wisconsin
1999 - 2000 LEGISLATURE

LRBb1073/1
PJK&RAC:kmg:ijs

SDC:.....Walter – Caucus #2760, Require point-of-service coverage option

FOR 1999-01 BUDGET — NOT READY FOR INTRODUCTION

CAUCUS AMENDMENT

TO ASSEMBLY SUBSTITUTE AMENDMENT 1,

TO 1999 ASSEMBLY BILL 133

1 At the locations indicated, amend the substitute amendment as follows:

2 **1.** Page 535, line 6: after that line insert:

3 “**SECTION 940d.** 40.05 (4) (ag) 2. of the statutes is amended to read:

4 40.05 (4) (ag) 2. For eligible employes not specified in subd. 1., 90% of the gross
5 premium for the standard health insurance plan offered to state employes by the
6 group insurance board or 105% of the gross premium, excluding any premium cost
7 related to point-of-service coverage required to be offered under s. 609.23, of the
8 alternative qualifying plan offered under s. 40.03 (6) that is the least costly
9 qualifying plan within the county in which the alternate plan is located, whichever
10 is lower, but not more than the total amount of the premium. Employer contributions

1 for employes who select the standard plan shall be based on their county of residence.
2 Qualifying health insurance plans shall be determined in accordance with standards
3 established by the group insurance board.”.

4 **2.** Page 1093, line 2: after that line insert:

5 “**SECTION 2037c.** 111.91 (2) (r) of the statutes is created to read:

6 111.91 (2) (r) The requirements related to offering point-of-service coverage
7 under s. 609.23.”.

8 **3.** Page 1404, line 15: after that line insert:

9 “**SECTION 3036c.** 609.23 of the statutes is created to read:

10 **609.23 Point-of-service coverage option.** (1) In this section,
11 “point-of-service coverage option” means a health benefit plan coverage option
12 under which all of the following apply:

13 (a) An insured may obtain health care services from a provider of his or her
14 choice.

15 (b) A provider selected under par. (a) is not necessarily a participating provider
16 of the health benefit plan or a member of the health benefit plan’s network of
17 providers.

18 (c) The health benefit plan reimburses a provider selected under par. (a) for the
19 cost of services provided to the insured if the provider is appropriately licensed and
20 the services provided are covered under the health benefit plan.

21 (2) (a) Notwithstanding ss. 609.05 (2) and 628.36 (2) (b) 1. and 3., a managed
22 care plan shall offer to its enrollees at least one point-of-service coverage option in
23 each geographic service area of the managed care plan.

1 (b) An enrollee who selects point-of-service coverage shall be responsible for
2 any extra costs associated with the coverage, including additional administrative
3 costs and provider fees. Nothing in this section is intended to require a managed care
4 plan to incur any additional costs resulting from the selection by an enrollee of
5 point-of-service coverage.

6 (c) The commissioner shall ensure that premium rates, copayments,
7 deductibles or any other cost-sharing provisions related to point-of-service
8 coverage are based on sound actuarial principles and supported by reliable data or
9 actual or reasonably anticipated experience.”

10 **4.** Page 1592, line 23: after that line insert:

11 “(3x) POINT-OF-SERVICE COVERAGE. The treatment of sections 40.05 (4) (ag) 2.,
12 111.91 (2) (r) and 609.23 of the statutes first applies to all of the following:

13 (a) Except as provided in paragraph (b), managed care plans that are issued
14 or renewed on the effective date of this paragraph.

15 (b) Managed care plans covering employees who are affected by a collective
16 bargaining agreement containing provisions inconsistent with sections 40.05 (4) (ag)
17 2., 111.91 (2) (r) and 609.23 of the statutes that are issued or renewed on the earlier
18 of the following:

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

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

22 **5.** Page 1610, line 22: after that line insert:

