

**2001 DRAFTING REQUEST**

**Assembly Amendment (AA-AB265)**

Received: 04/27/2001

Received By: kahlepj

Wanted: Soon

Identical to LRB:

For: Gregg Underheim (608) 266-2254

By/Representing: his office

This file may be shown to any legislator: NO

Drafter: kahlepj

May Contact:

Addl. Drafters:

Subject: Insurance - health

Extra Copies:

Submit via email: NO

Requester's email:

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**Pre Topic:**

No specific pre topic given

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**Topic:**

Clarify that deductible does not apply to drug coverage

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**Instructions:**

See Attached

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**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 04/27/2001	jdye 04/30/2001					
/1			pgreensl 04/30/2001		lrb_docadmin 04/30/2001	lrb_docadmin 04/30/2001	

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1?	kahlepj	1 4/30 jld	4/30 P8	4/30 self			

FE Sent For:

<END>

## Kahler, Pam

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**From:** Lonergan, Sandra  
**Sent:** Friday, April 27, 2001 12:17 PM  
**To:** Pederson, Russell; Sweet, Richard  
**Cc:** Kahler, Pam  
**Subject:** RE: AB 265 simple amendment

Pam,  
Please consider this a drafting request. Do you need any further information?  
Thanks,  
Sandy

-----Original Message-----

**From:** Pederson, Russell  
**Sent:** Friday, April 27, 2001 11:57 AM  
**To:** Sweet, Richard  
**Cc:** Kahler, Pam; Lonergan, Sandra  
**Subject:** RE: AB 265 simple amendment

I agree with both suggestions.

>>> Sweet, Richard 04/27/01 11:26AM >>>  
Russ,

I was out yesterday and just got your e-mail. The language looks okay, but "deductible" should be used rather than "deduction".

Also, I think the language would help clarify that first dollar coverage is available for drugs, which seems to be everyone's intent. Right now, a threshold has to be reached in order for HIRSP to cover services. Just saying that drug coinsurance doesn't count toward the threshold doesn't say that the threshold doesn't have to be met in order for drugs to be covered by HIRSP. I think the amendment will clarify that.

Thanks.

Dick

-----Original Message-----

**From:** Pederson, Russell  
**Sent:** Thursday, April 26, 2001 2:19 PM  
**To:** Sweet, Richard  
**Cc:** Kahler, Pam; Lonergan, Sandra  
**Subject:** AB 265 simple amendment

Dick,

I understand from Rep. Underheim's office there may interest in an amendment to (perhaps) clarify that the bill does not establish a drug deductible.

As you know, bill already says that drug coinsurance doesn't count toward the medical deductible - and it doesn't call for a drug deductible, so in this sense the proposed language is superfluous, but DHFS is willing to go ahead with an amendment assuming we can make sure that there's a better reference to 'the deductible' in the amendment.

I further understand the amendment may add language in sec. 149.14(5) and sec. 149.146 saying "The deduction under the subsection does not apply to services

under sub. (3)(d)." Essentially stating that the provisions of the drug coverage are first dollar.

If you agree with this, could you confirm our mutual intent with Pam K. and submit language for drafting?

Thanks,

Russ

## Kahler, Pam

---

**From:** Lonergan, Sandra  
**Sent:** Thursday, April 26, 2001 2:26 PM  
**To:** Pederson, Russell; Sweet, Richard  
**Cc:** Kahler, Pam  
**Subject:** RE: AB 265 simple amendment

Thanks Russ. And to you, the lovely Pam Kahler -- you may send us the stripes unless Russ just has to have them! And Colonel, as always, you're the best.  
Sandy

-----Original Message-----

**From:** Pederson, Russell  
**Sent:** Thursday, April 26, 2001 2:19 PM  
**To:** Sweet, Richard  
**Cc:** Kahler, Pam; Lonergan, Sandra  
**Subject:** AB 265 simple amendment

Dick,

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As you know, bill already says that drug coinsurance doesn't count toward the medical deductible - and it doesn't call for a drug deductible, so in this sense the proposed language is superfluous, but DHFS is willing to go ahead with an amendment assuming we can make sure that there's a better reference to 'the deductible' in the amendment.

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If you agree with this, could you confirm our mutual intent with Pam K. and submit language for drafting?

Thanks,

Russ



State of Wisconsin  
2001 - 2002 LEGISLATURE

LRBa04777

PJK.....

Ed

~~PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION~~

ASSEMBLY AMENDMENT,  
TO 2001 ASSEMBLY BILL 265

SOON  
(4-27)

1 At the locations indicated, amend the bill<sup>✓</sup> as follows:

2 1. Page 2, line 3: after that line insert:

3 "SECTION 1m.<sup>✓</sup> 149.14 (5) (a)<sup>✓</sup> of the statutes is amended to read:

4 149.14 (5) (a) The plan shall offer a deductible in combination with appropriate  
5 premiums determined under this chapter for major medical expense coverage  
6 required under this section. For coverage offered to those persons eligible for  
7 medicare, the plan shall offer a deductible equal to the deductible charged by part  
8 A of title XVIII of the federal social security act, as amended. The deductible  
9 amounts for all other eligible persons shall be dependent upon household income as  
10 determined under s. 149.165. For eligible persons under s. 149.165 (2) (a) 1., the  
11 deductible shall be \$500. For eligible persons under s. 149.165 (2) (a) 2., the  
12 deductible shall be \$600. For eligible persons under s. 149.165 (2) (a) 3., the

1 deductible shall be \$700. For eligible persons under s. 149.165 (2) (a) 4., the  
2 deductible shall be \$800. For all other eligible persons who are not eligible for  
3 medicare, the deductible shall be \$1,000. With respect to all eligible persons,  
4 expenses used to satisfy the deductible during the last 90 days of a calendar year  
5 shall also be applied to satisfy the deductible for the following calendar year. The  
6 deductible under this paragraph does not apply to prescription drug coverage under  
7 sub. (3) (d).”

History: 1979 c. 313; 1981 c. 39 s. 22; 1981 c. 83; 1981 c. 314 ss. 117, 146; 1983 a. 27; 1985 a. 29 s. 3202 (30); 1985 a. 332 s. 253; 1987 a. 27, 239; 1989 a. 332; 1991 a. 39, 269; 1995 a. 463; 1997 a. 27 ss. 3026c, 4847 to 4859; Stats. 1997 s. 149.14; 1997 a. 237; 1999 a. 9, 165.

8 **2.** Page 3, line 12: after that line insert:

9 “SECTION 4m. 149.146 (2) (am) 1. of the statutes is amended to read:

10 149.146 (2) (am) 1. For all eligible persons with coverage under this section,  
11 the deductible shall be \$2,500. Expenses used to satisfy the deductible during the  
12 last 90 days of a calendar year shall also be applied to satisfy the deductible for the  
13 following calendar year. The deductible under this subdivision does not apply to  
14 prescription drug coverage under this section.”

History: 1997 a. 27 ss. 4860c, 4860d; Stats. 1997 s. 149.146; 1997 a. 237; 1999 a. 9, 165.

15 (END)