

**2001 DRAFTING REQUEST**

**Assembly Amendment (AA-AB876)**

Received: 03/07/2002

Received By: kahlepj

Wanted: Today

Identical to LRB:

For: Gregg Underheim (608) 266-2254

By/Representing: Sandy

This file may be shown to any legislator: NO

Drafter: kahlepj

May Contact:

Addl. Drafters:

Subject: Insurance - health

Extra Copies:

Submit via email: YES

Requester's email: Rep.Underheim@legis.state.wi.us

Carbon copy (CC:) to:

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**Pre Topic:**

No specific pre topic given

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**Topic:**

Eligibility for HIRSP

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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>
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/1			jfrantze 03/07/2002		lrb_docadmin 03/07/2002	lrb_docadmin 03/07/2002	

FE Sent For:

<END>

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1/?	kahlepj	1 cjs 3/7 02	6/3/01	7/6/01 3/7			

FE Sent For:

<END>

**Kahler, Pam**

a 1512

**From:** Lonergan, Sandra  
**Sent:** Thursday, March 07, 2002 9:48 AM  
**To:** Kahler, Pam  
**Cc:** Sweet, Richard  
**Subject:** yes, another amendment to AB 876

**Importance:** High

Pam,  
DHFS had a problem w/the HIRSP eligibility language in the bill. They have agreed this language is better. Please draft it as an amendment to AB 876. I don't care if you put this in with any other the other amendment language. Do what's easiest for you.  
Thanks.



AmendAB876.Mar0  
502.doc

**ASSEMBLY BILL 876**

**Page 11, lines 9 - 17, Section 14, creating s. 149.12 (4)**

**Amend to read:**

149.12 (4) Notwithstanding subs. (1) to (3), the board may, in its discretion, certify as eligible for coverage under the plan a person who applies for coverage after his or her enrollment in the program under s. 635.30 is terminated under s. 635.30 (4) (b), regardless of whether the person satisfies the eligibility requirements under subs. (1) to (3). ~~The board shall determine whether a~~ No person who obtains coverage under the plan under this subsection and who does not satisfy the eligibility requirements under subs. (1) to (3) may remain covered under the plan after the program under s. 635.30 is no longer in operation.

1. Page 11, line 14, delete "The board shall determine whether a" and insert "No".

**ASSEMBLY BILL 876**

**Page 21, lines 4 - 9, Section 21, creating s. 635.30 (4) (b)**

**Amend to read:**

(b) If an employee who is enrolled in the program becomes ineligible under par (a), the employee may apply for coverage under the health insurance risk-sharing plan under ch 149; if all of the following apply:

1. The employee's employer terminates health insurance coverage for employees under the group health benefit plan under par. (a) 1.

2. The employer does not provide continuing or replacement health insurance coverage for employees under another health benefit plan.

(c) If an employer terminates health insurance coverage for employees under a group health benefit plan under par. (a) 1. and provides health insurance coverage for employees under a new group health benefit plan, an employee who enrolled in the program under the health benefit plan that is terminated is no longer eligible for enrollment in the program unless the employee is determined to be eligible under par. (a) for continued enrollment in the program under the new group health benefit plan.

(d) If the an employee under par. (b) applies for and obtains coverage under that plan the health insurance risk-sharing plan under ch 149 and his or her application for coverage was received withing 63 days after his or her enrollment under the program was terminated under this paragraph, the employee may shall

not be subject to any preexisting condition exclusion under that plan.

1. Page 21, line 6, delete the period after "149" and insert "if all of the following apply:

"1. The employee's employer terminates health insurance coverage for all of the employer's employees under the group health benefit plan under par. (a) 1.

"2. The employer does not provide continuing or replacement health insurance coverage for employees under another health benefit plan.

"(c) If an employer terminates health insurance coverage for employees under a group health benefit plan under par. (a) 1. and provides health insurance coverage for employees under a new group health benefit plan, an employee who enrolled in the program under the health benefit plan that is terminated is no longer eligible for enrollment in the program unless the employee is determined to be eligible under par. (a) for continued enrollment in the program under the new group health benefit plan.

"(d)".

2. Page 21, line 6, after "If" delete "the" and insert "an".
3. Page 21, line 6, after "employee" insert "under par. (b)".
4. Page 21, line 6, after delete "that plan" and insert "the health insurance risk-sharing plan under ch 149".
5. Page 21, line 9, delete "may" and insert "shall".



State of Wisconsin  
2001 - 2002 LEGISLATURE

LRBa1512/f1  
PJK:.....

cjs

~~PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION~~

ASSEMBLY AMENDMENT ,

TO 2001 ASSEMBLY BILL 876

*Drawn  
now*

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

2 1. Page 11, line 14: delete "The board shall determine whether a" and  
3 substitute "No".

4 ~~2. Page 21, line 6: delete that line and substitute:~~

5 ~~#.~~ Page 21, line 6: delete lines 6 to 9 and substitute "plan under ch. 149 if the  
6 employee's small employer terminates coverage under the group health benefit plan  
7 under par. (a) 1. and does not provide coverage for its employees under another  
8 health benefit plan."

9 (c) If the small employer of an employee who is enrolled in the program  
10 terminates coverage under the group health benefit plan under par. (a) 1. and  
11 provides coverage for its employees under a different group health benefit plan, the  
12 employee is no longer eligible for coverage under the program unless the employee

#. Page 21, line 10: before that line insert:

1 meets the eligibility requirements under par. (a) with respect to the new group health  
2 benefit plan.

3 (d) If an employee under par. (b) applies for and obtains coverage under the  
4 health insurance risk-sharing plan under ch. 149 and his or her application for  
5 coverage was received within 63 days after his or her enrollment under the program  
6 was terminated under ~~this paragraph~~ <sup>par. (b)</sup> the employee may not be subject to any  
7 preexisting condition exclusion under that plan.”

8 (END)

*J. note*



DRAFTER'S NOTE  
FROM THE  
LEGISLATIVE REFERENCE BUREAU

LRBa1512/?dn

PJK:.....

gs

1. This amendment is worded a bit differently to eliminate some wordiness. I also did not change "may" to "shall" in s. 635.30 (4) (d). "May," rather than "shall," is the correct word when used with the negative "not." See, for example, s. 149.14 (6) (b) in current law and s. 149.14 (6) (c) in this bill.

2. In s. ~~149.14 (6) (c)~~, I wasn't sure if the intention was that the employer's termination of the coverage was the reason that the employee became ineligible. If that was the intention, it would have been better to have drafted the provision that way. As drafted in this amendment, it sounds as though ~~the employee lost eligibility and then the employer terminated the coverage.~~

635.30 (4) (b)

Pamela J. Kahler  
Senior Legislative Attorney  
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E-mail: pam.kahler@legis.state.wi.us

an employee who becomes ineligible  
for the program is not  
~~eligible to apply to~~ eligible to apply to  
HIRSP unless the employer terminates  
coverage for all ~~employees~~  
the rest of the employees for all ~~employees~~  
the rest of the employees for all ~~employees~~

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

LRBa1512/1dn  
PJK:cjs:jf

March 7, 2002

1. This amendment is worded a bit differently to eliminate some wordiness. I also did not change "may" to "shall" in s. 635.30 (4) (d). "May," rather than "shall," is the correct word when used with the negative "not." See, for example, s. 149.14 (6) (b) in current law and s. 149.14 (6) (c) in this bill.

2. In s. 635.30 (4) (b), I wasn't sure if the intention was that the employer's termination of the coverage was the reason that the employee became ineligible. If that was the intention, it would have been better to have drafted the provision that way. As drafted in this amendment, it sounds as though an employee who becomes ineligible for the program is not eligible to apply to HIRSP unless the employer terminates coverage for all the rest of the employees too.

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