

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:

Pre Topic:

No specific pre topic given

Topic:

Various changes to programs

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 03/07/2002	csicilia 03/07/2002		_____			
/1			kfollet 03/07/2002	_____	lrb_docadmin 03/07/2002	lrb_docadmin 03/07/2002	

FE Sent For:

<END>

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:

Pre Topic:

No specific pre topic given

Topic:

Various changes to programs

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	1 gjs 3/7	02 3/7	10/1/02	8/1/02		

FE Sent For:

<END>

a1513

Pam,

Please draft an amendment for AB 876 containing the following items.

1. In the Catastrophic Care Pilot the funding comes from several sources, the insurer, the employer, the state and the providers. The bill specifies that the funding from providers can come in the form of a provider discount or an assessment. Please remove the assessment language. The intention is to have the provider share come only from provider discounts.
2. Specify that in the voluntary statewide reinsurance plan the insurer can choose from several options for reinsurance. The insurer may choose to reinsure for only health care facility (as defined in s.146.997(1)(c)) costs, health care professional (as defined in s.180.1901 (1m)) costs or any combination of those costs.
3. Specify that the discounts required of providers who serve patients whose costs are covered by the reinsurance pool should be apportioned among the providers based on the percentage of total cost that each provider presents. For example, if an insurer picks \$50,000 as the reinsurance threshold, and if the total bill is \$100,000, and if the hospital portion is \$80,000 and the physician portion is \$20,000. Then the portion subject to reinsurance discount is \$50,000. Furthermore the hospital share to be discounted is 80% of the total over \$50,000 and the physician share to be discounted is 20% of the total over \$50,000.
4. Specify that the discounted provider rate in the reinsurance pool is to be determined by rule. The rate will be determined by the board and promulgated by rule by OCI.

2001

Date (time) needed now

LRBa 1513 / 1

AMENDMENT

D-note

PRK: GJS:

See form AMENDMENTS — COMPONENTS & ITEMS.

S (A) AMENDMENT

~~TO S A AMENDMENT (LRBa /),~~

~~TO S A SUBSTITUTE AMENDMENT (LRBs /),~~

TO 2001 SB SJR SR (AB) AJR AR 876 (LRB- /)
876

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

- #. Page 1, line 10: delete "requiring" and substitute "allowing". ✓
- #. Page 9, line 15: delete that line. ✓

Insert C →

- #. Page 18, line 2: delete " , the provider assessments under sub. (3)(a) 3.," . ✓
- #. Page 18, line 11: delete "assessments under sub. (3)(a) 3, provider" . ✓
- #. Page 18, line 13: delete "2.," and substitute "2." . ✓
- #. Page 18, line 14: delete that line and substitute "payment rate" . ✓

#. Page 18, line 15: delete "(b)," and substitute "(b)".

#. Page 18, line 18: delete "2," and substitute "2. or". ✓

#. Page 18, line 19: delete that line and substitute "provider payment rate discounts". ✓

#. Page 18, line 21: delete that line and substitute "payment rate discounts did not equal". ✓

~~#. Page 19, line 19: delete lines 19 to 21 and substitute:~~

~~Assess~~ "Provider discounts that are established = under par. (b) and that ~~annually equal~~ the amount of the annual" ✓

#. Page 19, line 19: delete the material beginning with "Assessments" and ending with "(b)," on line 21 and substitute ✓

Page 19, line 22: delete the material

beginning with "Each" and ending

with line 25. "assessment." on

the material beginning with
Page 22, line 23: delete "and" and

~~the material~~ ending with "(3)(a) 3." on line

24. ✓

Page 25, line 5: on lines 5 and 7,

delete ", 3.," ✓

(END)

D-note

This amendment incorporates some of the provisions in LRBa1427/2 to make the reinsurance program ^{voluntary} voluntary. The provisions are ~~identical~~ identical so there will be no problem if both this amendment and LRBa1427/2 pass.

PTK

Insert C 182

~~Insert C 182~~

#. Page 13, line 24: after "insurer" insert
"that chooses to participate in the program
"that chooses to participate in the program
under this section".
under this section".

✓ Insert C-1 →

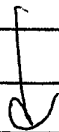
#. Page 14, line 22: after "insurer" insert
"that chooses to participate in the program
"that chooses to participate in the program
under this section".
under this section".

lines 22 and 24
on lines "insurer" insert

~~Insert C 182~~

#. Page 15, line 6: after "insurer" insert
"that chooses to participate in the program
"that chooses to participate in the program
under this section".
under this section".

#. Page 15, line 9: after "(a)" insert "the
covered benefits to which the threshold level applies,".



Insert C cont'd 2012

Page 15, line 15: delete "by rule shall establish" and substitute "shall promulgate a rule determined by the board that establishes".

Page 15, line 18: delete "commissioner" "rule" and substitute "rule".

Page 15, line 19: delete "establish" "provide for" and substitute "provide for".

~~Page 15, line 21~~
Page 15, line 21: after "(a)" insert "The provider discount rates under this paragraph apply only to services for which the commissioner provides reimbursement under sub. (2)(c)." under sub. (2)(c)."

Insert C-2 →

Page 16, line 6: after "(3)(c) 3." insert "by small employer insurers that choose to participate in the program under this section" in the program under this section. (and Bins C)

2001-2002 DRAFTING INSERT
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRBa1513/?ins

.....

INSERT C-1

1 **1.** Page 14, line 9: after "report." insert "In addition, the small employer
2 insurer may in the report limit the covered benefits to which the threshold level
3 applies, which may be costs of one or more types of health care facilities, as defined
4 in s. 146.997 (1) (c), costs of one or more types of health care professionals, as defined
5 in s. 180.1901 (1m), or any combination of those costs." ✓

6 **2.** Page 14, line 11: before "covered" insert "applicable". ✓

(END OF INSERT C-1)

INSERT C-2

7 **3.** Page 15, line 21: after "(a)." insert "The rule shall provide that a provider's
8 charges for which a small employer insurer seeks reimbursement shall be discounted
9 in the same proportion that the provider's charges bears to the total amount of
10 provider charges for which the small employer insurer seeks reimbursement. The
11 provider discount rates under this paragraph apply only to services for which the
12 commissioner provides reimbursement under sub. (2) (c)."

(END OF INSERT C-2)

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

LRBa1513/1dn
PJK:cjs:kjf

March 7, 2002

This amendment incorporates some of the provisions in LRBa1427/2 to make the reinsurance program voluntary. The provisions are identical so there will be no problem if both this amendment and LRBa1427/2 pass.

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