

2001 Jr2 DRAFTING REQUEST

Assembly Amendment (AA-ASA1-AB1)

Received: 03/11/2002

Received By: kahlepj

Wanted: Soon

Identical to LRB:

For: Legislative Fiscal Bureau

By/Representing: Carabell

This file may be shown to any legislator: NO

Drafter: kahlepj

May Contact:

Addl. Drafters:

Subject: Insurance - health
Health - miscellaneous

Extra Copies:

Submit via email: NO

Pre Topic:

LFB:.....Carabell -

Topic:

HIRSP administration

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 03/12/2002	hhagen 03/12/2002		_____			
/1			rschluet 03/12/2002	_____	lrb_docadmin 03/12/2002		

FE Sent For:

<END>

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/?	kahlepj	l.hmh 3/12/02		 3-12-02			

FE Sent For:

<END>

Kahler, Pam

From: Carabell, Rachel
Sent: Monday, March 11, 2002 9:23 AM
To: Kahler, Pam
Subject: Drafting Instructions

Hi Pam,

The ARC passed two amendments on Saturday that need to be drafted for the ARC budget amendment.

One is ~~AB 642, as passed by the Assembly, related to WHEFA financing for private K-12 schools.~~ ^{SB 132}

The other is a HIRSP amendment, which would incorporate provisions of AB 348, as passed by the Assembly, plus the following:

62417

- ✓ 1. Require DHFS to have a new contract in place no later than July 1, 2003 for the HIRSP plan administrator that has been awarded based on a competitive bidding selection process identified in AB 348.
- ✓ 2. The HIRSP admin appropriation [s. 20.435 (4)(u)] should be reduced by \$609,600 in 2001-02 and \$451,300 in 2002-03.
- ✓ 3. Prohibit DHFS from awarding the plan administrator contract to a vendor that does not have information systems in place that are compliant with the final standards adopted under the administrative simplification provisions in HIPAA.

Call if you have any questions (6-8017). Thanks.

Rachel Carabell
Legislative Fiscal Bureau
rachel.carabell@legis.state.wi.us
Phone: 608-266-3847

S0322

a1509

ASSEMBLY BILL 348 (LRB-1952)

An Act to repeal 149.10 (8b), 149.16 (1) and 149.16 (5); to amend 149.15 (3) (g); and to create 149.15 (3) (g) 2., 149.16 (1m), 149.16 (3m), 149.16 (6) and 149.162 of the statutes; relating to: a competitive bidding process for administration of the health insurance risk-sharing plan. (FE)

2001

- 04-24. A. Introduced by Representatives Albers, Wade, Loeffelholz, Urban, Grothman, Nass, Huber, Lassa, Lippert and F. Lasee; cosponsored by Senators Darling, Cowles, Schultz, Harsdorf and Lazich.
- 04-24. A. Read first time and referred to committee on Health .. 200
- 12-18. A. Public hearing held .
- 12-19. A. Fiscal estimate received .

2002

- 02-11. A. Assembly substitute amendment 1 offered by Representatives Underheim and Wasserman (LRB s0322) 655
- 02-12. A. Executive action taken .
- 02-26. A. Report Assembly substitute amendment 1 adoption recommended by committee on Health, Ayes 13, Noes 1 682
- 02-26. A. Report passage as amended recommended by committee on Health, Ayes 13, Noes 1 682
- 02-26. A. Referred to committee on Rules 682
- 03-04. A. Placed on calendar 3-6-2002 by committee on Rules .
- 03-07. A. Read a second time 744
- 03-07. A. Assembly amendment 1 to Assembly substitute amendment 1 offered by Representatives Riley, Schooff and Krug (LRB a1509) 744
- 03-07. A. Assembly amendment 1 to Assembly substitute amendment 1 adopted 744
- 03-07. A. Assembly substitute amendment 1 adopted 744
- 03-07. A. Ordered to a third reading 744
- 03-07. A. Rules suspended 744
- 03-07. A. Read a third time and passed, Ayes 99, Noes 0 744
- 03-07. A. Ordered immediately messaged 744
- 03-08. S. Received from Assembly 628
- 03-08. S. Read first time and referred to committee on Health, Utilities, Veterans and Military Affairs 629

2001

Date (time) needed _____

LRB b 2417, 1

**ARC CAUCUS BUDGET AMENDMENT
[ONLY FOR CAUCUS]**

PJK : hnh : _____

See form **AMENDMENTS — COMPONENTS & ITEMS.**

**January 2002 SPECIAL SESSION CAUCUS AMENDMENT
TO ASSEMBLY SUBSTITUTE AMENDMENT 1
TO 2001 ASSEMBLY BILL 1**

>>FOR CAUCUS SUPERAMENDMENT — NOT FOR INTRODUCTION<<

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

#. Page 172, line 10: *after that line insert:*

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





State of Wisconsin
2001 - 2002 LEGISLATURE

LRBs0322/1
PJK:hmh:jf

ASSEMBLY SUBSTITUTE AMENDMENT 1,
TO 2001 ASSEMBLY BILL 348

February 11, 2002 - Offered by Representatives UNDERHEIM and WASSERMAN.

1 AN ACT *to repeal* 149.10 (8b) and 149.16 (1); *to amend* 149.15 (3) (g), 149.16 (4)
2 and 149.16 (5); and *to create* 149.16 (1m) and 149.16 (3m) of the statutes;
3 relating to: a competitive bidding process for administration of the health
4 insurance risk-sharing plan.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

5

SECTION ~~1~~. 149.10 (8b) of the statutes is repealed. → 336im ✓

6

SECTION ~~1~~. 149.15 (3) (g) of the statutes is amended to read: → 336ip

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149.15 (3) (g) Establish oversight committees to address various

8

administrative issues, such as financial management of the plan and, selection of the

9

plan administrator, and plan administrator performance standards. A

10

representative of the department may not be the chairperson of any committee

11

established under this paragraph. → 336ir

12

SECTION ~~1~~. 149.16 (1) of the statutes is repealed.

336is

1

SECTION 4. 149.16 (1m) of the statutes is created to read:

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149.16 (1m) (a) The plan administrator shall be selected by the department and the board together in a competitive, request-for-proposals process. The department shall work with the board and the plan administrator selection committee established under s. 149.15 (3) (g) to do all of the following:

- 1. Develop and issue a request for proposals to be used to solicit contract proposals.
- 2. Evaluate technical proposals and accompanying cost proposals submitted in response to the request for proposals.
- 3. Request and evaluate best and final offers.
- 4. Select a plan administrator and, subject to sub. (5), award a contract for plan administration.

(b) 1. Any contract awarded under this subsection shall have a term of 3 years, beginning on July 1 and ending on June 30 of the 3rd year beginning after the year in which the contract commences. The start work date of the initial contract awarded under this subsection may not be later than July 1, ~~2002~~ → 2003

2. Notwithstanding subd. 1, the department, with the concurrence of the board, may negotiate not more than 2 one-year extensions of a contract described under subd. 1.

3. Notwithstanding subs. 1. and 2., a contract awarded under this subsection may be extended beyond its 3-year term or a one-year extension in order to facilitate the transition to administration of the plan by a succeeding plan administrator.

Insert 2-22

336itc

SECTION 4. 149.16 (3m) of the statutes is created to read:

149.16 (3m) The plan administrator shall submit regular reports to the department, the board, and the plan administrator selection committee established

1 under s. 149.15 (3) (g) regarding the operation of the plan. The frequency, content,
2 and form of the reports shall be determined by the department, the board, and the
3 plan administrator selection committee. → 336itm

4 SECTION 6. 149.16 (4) of the statutes is amended to read:

5 149.16 (4) The If the plan administrator selected under sub. (1m) is the fiscal
6 agent under s. 49.45 (2) (b) 2., the plan administrator shall account for costs related
7 to the plan separately from costs related to medical assistance under subch. IV of ch.
8 49.

9 SECTION 7. 149.16 (5) of the statutes is amended to read:

10 149.16 (5) The department shall obtain the approval of the board before
11 implementing any contract with the plan administrator, including any extension of
12 a contract under sub. (1m) (b) 2. " ←

13 ~~149.16~~

#. Page 394, line 22: after that
line insert:



2001

Nonstat File Sequence: **DDD**

LRB _____ / _____
_____ : _____ : _____

\$\$\$ CHANGE

- In the component bar:
 For the action phrase, execute: create → action: → *NS: → \$change
 For the budget action phrase, execute: create → action: → *NS: → 92XX
 For the text, execute: create → text: → *NS: → \$change
- Nonstatutory subunits are numbered automatically. Fill in the SECTION # or subsection # only if a "frozen" number is needed. Below, for the budget, fill in the 9200 department code.

SECTION # [92]. Appropriation changes;

"~~2001~~ (20) ^(CS) Health insurance risk-sharing plan administration. In the schedule under section 20.005 (3) of the statutes for the appropriation to the department of health and family services under section 20.435. (4) (u) of the statutes, as affected by the acts of 2001, the dollar amount is decreased by \$, 609,600 . . for fiscal year 2001-02 and the dollar amount is decreased by \$, 451,300 for fiscal year 2002-03 to decrease funding for the purpose ~~for which~~ for which the appropriation is made ~~to decrease funding for~~

)) . ←

* Use the 2nd alternative if the purpose of the increase or decrease is more limited than the purpose or purposes of the appropriation as currently shown in the text of ch. 20, stats.

(END)

2001-2002 DRAFTING INSERT
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRBb2417/?ins

.....

INSERT 2-22

1082

- 1 (c) The plan administrator selected under this subsection must have
2 information systems that are in compliance with the standards adopted under the
3 administrative simplification provisions of the federal Health Insurance Portability
4 and Accountability Act of 1996.

in place at the
time the plan
administrator
is selected



State of Wisconsin
2001 - 2002 LEGISLATURE

LRBa1509/1
PJK:jld:pg

ASSEMBLY AMENDMENT 1,
TO ASSEMBLY SUBSTITUTE AMENDMENT 1,
TO 2001 ASSEMBLY BILL 348

Insert 2-22 cont'd 2 of 2

March 7, 2002 - Offered by Representatives RILEY, SCHOFF and KRUG.

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

2 1. Page 2, line 22: after that line insert:

3 (d) The plan shall be administered in the state but the administration may not
4 be limited to any particular geographic location within the state.

5

(END of ins 2-22)



State of Wisconsin
2001 - 2002 LEGISLATURE
January 2002 Special Session

LRBb2417/1
PJK:hmh:rs

LFB:.....Carabell – HIRSP administration

FOR 2001-03 BUDGET — NOT READY FOR INTRODUCTION

ASSEMBLY AMENDMENT ,

TO ASSEMBLY SUBSTITUTE AMENDMENT 1,

TO ASSEMBLY BILL 1

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

2 1. Page 172, line 10: after that line insert:

3 “SECTION 336im. 149.10 (8b) of the statutes is repealed.

4 SECTION 336ip. 149.15 (3) (g) of the statutes is amended to read:

5 149.15 (3) (g) Establish oversight committees to address various
6 administrative issues, such as financial management of the plan and, selection of the
7 plan administrator, and plan administrator performance standards. A
8 representative of the department may not be the chairperson of any committee
9 established under this paragraph.

10 SECTION 336ir. 149.16 (1) of the statutes is repealed.

1 **SECTION 336is.** 149.16 (1m) of the statutes is created to read:

2 149.16 (1m) (a) The plan administrator shall be selected by the department
3 and the board together in a competitive, request-for-proposals process. The
4 department shall work with the board and the plan administrator selection
5 committee established under s. 149.15 (3) (g) to do all of the following:

6 1. Develop and issue a request for proposals to be used to solicit contract
7 proposals.

8 2. Evaluate technical proposals and accompanying cost proposals submitted in
9 response to the request for proposals.

10 3. Request and evaluate best and final offers.

11 4. Select a plan administrator and, subject to sub. (5), award a contract for plan
12 administration.

13 (b) 1. Any contract awarded under this subsection shall have a term of 3 years,
14 beginning on July 1 and ending on June 30 of the 3rd year beginning after the year
15 in which the contract commences. The start work date of the initial contract awarded
16 under this subsection may not be later than July 1, 2003.

17 2. Notwithstanding subd. 1, the department, with the concurrence of the board,
18 may negotiate not more than 2 one-year extensions of a contract described under
19 subd. 1.

20 3. Notwithstanding subds. 1. and 2., a contract awarded under this subsection
21 may be extended beyond its 3-year term or a one-year extension in order to facilitate
22 the transition to administration of the plan by a succeeding plan administrator.

23 (c) The plan administrator selected under this subsection must have in place
24 at the time the plan administrator is selected information systems that are in
25 compliance with the standards adopted under the administrative simplification

1 provisions of the federal Health Insurance Portability and Accountability Act of
2 1996.

3 (d) The plan shall be administered in the state but the administration may not
4 be limited to any particular geographic location within the state.

5 **SECTION 336itc.** 149.16 (3m) of the statutes is created to read:

6 149.16 (3m) The plan administrator shall submit regular reports to the
7 department, the board, and the plan administrator selection committee established
8 under s. 149.15 (3) (g) regarding the operation of the plan. The frequency, content,
9 and form of the reports shall be determined by the department, the board, and the
10 plan administrator selection committee.

11 **SECTION 336itm.** 149.16 (4) of the statutes is amended to read:

12 149.16 (4) The If the plan administrator selected under sub. (1m) is the fiscal
13 agent under s. 49.45 (2) (b) 2., the plan administrator shall account for costs related
14 to the plan separately from costs related to medical assistance under subch. IV of ch.
15 49.

16 **SECTION 336itr.** 149.16 (5) of the statutes is amended to read:

17 149.16 (5) The department shall obtain the approval of the board before
18 implementing any contract with the plan administrator, including any extension of
19 a contract under sub. (1m) (b) 2.”.

20 **2.** Page 394, line 22: after that line insert:

21 “(20j) HEALTH INSURANCE RISK-SHARING PLAN ADMINISTRATION. In the schedule
22 under section 20.005 (3) of the statutes for the appropriation to the department of
23 health and family services under section 20.435 (4) (u) of the statutes, as affected by
24 the acts of 2001, the dollar amount is decreased by \$609,600 for fiscal year 2001–02

1 and the dollar amount is decreased by \$451,300 for fiscal year 2002–03 to decrease
2 funding for the purpose for which the appropriation is made.”.

3

(END)