

2001 Jr2 DRAFTING REQUEST

Senate Amendment (SA-SSA1-AB1)

Received: **03/27/2002**

Received By: **kahlepj**

Wanted: **Soon**

Identical to LRB:

For: **Senate Democratic Caucus**

By/Representing: **Engel**

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

Drafter: **kahlepj**

May Contact:

Addl. Drafters:

Subject: **Insurance - health**

Extra Copies:

Submit via email: **NO**

Pre Topic:

SCC:.....Engel - CN3707,

Topic:

Remove exceptions for point-of-service plan requirements

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 03/27/2002	gilfokm 03/28/2002		_____			
/1			haugca 03/28/2002	_____	lrb_docadmin 03/28/2002		

FE Sent For:

<END>

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1/?	kahlepj	3/28 dmg	clt 3/28	clt 3/28 dmg			

FE Sent For:

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CN 3707

DAK
PJK

62827

Chapter 609 -- Defined Network Plans

Delete sections:

609.10(2)

609.10(3)

609.10(3)(a)

609.10(3)(b)

See attached.

Point of Service

609.10 Standard plan and point-of-service option plan required.

609.10(1)(ac) In this section, "point-of-service option plan" means a health maintenance organization or preferred provider plan that permits an enrollee to obtain covered health care services from a provider that is not a participating provider of the health maintenance organization or preferred provider plan under all of the following conditions:

609.10(1)(ac)1. The nonparticipating provider holds a license or certificate that authorizes or qualifies the provider to provide the health care services.

609.10(1)(ac)2. The health maintenance organization or preferred provider plan is required to pay the nonparticipating provider only the amount that the health maintenance organization or preferred provider plan would pay a participating provider for those health care services.

609.10(1)(ac)3. The enrollee is responsible for any additional costs or charges related to the coverage.

609.10(1)(am) Except as provided in subs. (2) to (4), an employer that offers any of its employees a health maintenance organization or a preferred provider plan that provides comprehensive health care services shall also offer the employees a standard plan that provides at least substantially equivalent coverage of health care expenses and a point-of-service option plan, as provided in pars. (b) and (c).

609.10(1)(b) At least once annually, the employer shall provide the employees the opportunity to enroll in the health care plans under par. (am).

609.10(1)(c) The employer shall provide the employees adequate notice of the opportunity to enroll in the health care plans under par. (am) and shall provide the employees complete and understandable information concerning the differences among the health maintenance organization or preferred provider plan, the standard plan and the point-of-service option plan.

~~**609.10(2)** If, after providing an opportunity to enroll under sub. (1)(b) and the notice and information under sub. (1)(c), fewer than 25 employees indicate that they wish to enroll in the standard plan under sub. (1)(am), the employer need not offer the standard plan on that occasion.~~

~~**609.10(3)** Subsection (1) does not apply to an employer that does any of the following:~~

~~**609.10(3)(a)** Employs fewer than 25 full-time employees.~~

~~**609.10(3)(b)** Offers its employees a health maintenance organization or a preferred provider plan only through an insurer that is a cooperative association organized under ss. 185.981 to 185.985 or only through an insurer that is restricted under s. 609.03(3).~~

609.10(4) Nothing in sub. (1) requires an employer to offer a particular health care plan to an employee if the health care plan determines that the employee does not meet reasonable medical underwriting standards of the health care plan.

609.10(5) The commissioner may establish by rule standards in addition to any established under s. 609.20 for what constitutes adequate notice and complete and understandable information under sub. (1)(c).

609.10(6) The commissioner shall promulgate rules necessary for the administration of the requirement to offer point-of-service option plans under sub. (1)(am).

609.10 - ANNOT.

History: 1985 a. 29; 1997 a. 237; 1999 a. 9; 2001 a. 16.



State of Wisconsin
2001 - 2002 LEGISLATURE

January 2002 Special Session

LRBb2827/1

PJK:1/...

King

SCC:.....Engel - CN3707, Remove exceptions for point-of-service plan requirements

FOR 2001-03 BUDGET - NOT READY FOR INTRODUCTION

CAUCUS SENATE AMENDMENT ,

TO SENATE SUBSTITUTE AMENDMENT 1,

TO ASSEMBLY BILL 1

D-note

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

2 ✓ 1. Page 221, line 22: after that line insert:

3 "SECTION 509c. 609.10 (1) (am) of the statutes, as affected by 1999 Wisconsin
4 Act 9, is amended to read:

5 609.10 (1) (am) Except as provided in subs. ~~(2)~~ ✓ to sub. (4), an employer that
6 offers any of its employees a health maintenance organization or a preferred provider
7 plan that provides comprehensive health care services shall also offer the employees
8 a standard plan that provides at least substantially equivalent coverage of health
9 care expenses and a point-of-service option plan, as provided in pars. (b) and (c).

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRBb2827/1¹dn
PJK:.....
King

This amendment removes the exceptions in current law to the employer requirement to offer a standard plan and a point-of-service option plan to employees if the employer offers a health maintenance organization or a preferred provider plan.

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

LRBb2827/1dn
PJK:kmg:ch

March 28, 2002

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8 a standard plan that provides at least substantially equivalent coverage of health
9 care expenses and a point-of-service option plan, as provided in pars. (b) and (c).

10 SECTION 509cm. 609.10 (2) of the statutes is repealed.

