



State of Wisconsin  
2003 - 2004 LEGISLATURE

LRB-2476/P2  
PJK:kmg:ch  
r m not run

Monday 4/28

PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

Draft

LPS:

"pl" = plain text

regenerate ↓

1 AN ACT *to repeal* chapter 149 (title), 149.10 (2f), 149.10 (2m), 149.10 (4p), 149.10  
2 (8b), 149.10 (8c), 149.10 (8p), 149.10 (10), 149.13 (2), 149.13 (4), 149.14 (3) (a)  
3 to (r), 149.14 (4), 149.14 (4c), 149.14 (8), 149.15 (3) (c), 149.15 (3) (f), 149.15 (5),  
4 149.16, 601.415 (12) and 613.03 (4); *to renumber* 149.10 (2c), 149.10 (2j),  
5 149.10 (2t), 149.10 (3c), 149.10 (3d), 149.10 (3e), 149.10 (3g), 149.10 (3j), 149.10  
6 (3m), 149.10 (4), 149.10 (4c), 149.10 (4m), 149.10 (5), 149.10 (5m), 149.10 (6),  
7 149.10 (7), 149.10 (8j), 149.10 (8m), 149.10 (11), 149.13 (title), 149.14 (title),  
8 149.14 (2), 149.14 (6), 149.15 (title), 149.15 (2), 149.15 (2m), 149.15 (3) (intro.),  
9 149.15 (3) (a), 149.15 (3) (d), 149.15 (4) and 149.15 (7); *to renumber and*  
10 *amend* 20.435 (4) (af), 20.435 (4) (ah), 20.435 (4) (u), 20.435 (4) (v), 149.10  
11 (intro.), 149.10 (2), 149.10 (3), 149.10 (8), 149.10 (9), 149.11, 149.115, 149.12,  
12 149.13 (1), 149.13 (3), 149.14 (1), 149.14 (3) (intro.), 149.14 (4m), 149.14 (5),  
13 149.14 (5m), 149.14 (7), 149.142, 149.143, 149.144, 149.145, 149.146, 149.15 (1),  
14 149.15 (3) (g), 149.15 (6), 149.165, 149.17, 149.175, 149.18, 149.20 and 149.25;  
15 *to amend* 25.55 (1), 25.55 (2), 25.55 (3), 25.55 (4), 71.65 (4), 185.981 (4t), 601.41

1 (1), 601.64 (1), 601.64 (3) (a), 601.64 (3) (c), 601.64 (4), 613.03 (3), 614.05 (1),  
 2 631.36 (7) (a) 2. and 632.785 (1) (intro.); and **to create** 20.145 (5) (title), 450.10  
 3 (2m), subchapter I (title) of chapter 619 [precedes 619.01], subchapter II (title)  
 4 of chapter 619 [precedes 619.10], 619.10 (2p), 619.10 (2r), 619.13 (2), 619.132,  
 5 619.143 (1) (b) 2. am., 619.143 (2) (a) 3m., 619.15 (3) (b), 619.15 (3) (e), 619.15  
 6 (3) (em) and 619.15 (4) (c) of the statutes; **relating to: ~~transferring~~**  
 7 ~~Administration of~~ the Health Insurance Risk-Sharing Plan ~~from the~~  
 8 ~~Department of Health and Family Services to the Office of the Commissioner~~  
 9 ~~of Insurance, (making various miscellaneous changes to ~~that plan~~)~~ and granting  
 10 rule-making authority.

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***Analysis by the Legislative Reference Bureau***

This draft will be converted to an amendment to the budget.

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

11 **SECTION 1.** 20.145 (5) (title) of the statutes is created to read:  
 12 20.145 (5) (title) HEALTH INSURANCE RISK-SHARING PLAN ADMINISTRATION.  
 13 **SECTION 2.** 20.435 (4) (af) of the statutes is renumbered 20.145 (5) (af) and  
 14 amended to read:  
 15 20.145 (5) (af) ~~Health insurance risk-sharing plan; transfer~~ Transfer to fund  
 16 for costs. The amounts in the schedule to be paid into the health insurance  
 17 ~~risk-sharing plan~~ Health Insurance Risk-Sharing Plan fund for paying a portion of  
 18 the operating costs of the ~~health insurance risk-sharing plan~~ Health Insurance  
 19 Risk-Sharing Plan under ch. 149 subch. II of ch. 619.

1           **SECTION 3.** 20.435 (4) (ah) of the statutes is renumbered 20.145 (5) (ah) and  
2 amended to read:

3           20.145 (5) (ah) ~~Health insurance risk-sharing plan; transfer~~ Transfer to fund  
4 for premium and deductible reduction subsidy. Biennially, the amounts in the  
5 schedule to be paid into the ~~health insurance risk-sharing plan~~ Health Insurance  
6 Risk-Sharing Plan fund for the purpose of subsidizing premium reductions under  
7 s. ~~149.165~~ 619.165 and deductible reductions under s. ~~149.14~~ 619.14 (5) (a).

8           **SECTION 4.** 20.435 (4) (u) of the statutes is renumbered 20.145 (5) (u) and  
9 amended to read:

10           20.145 (5) (u) ~~Health insurance risk sharing plan; administration~~  
11 Administration. Biennially, from the ~~health insurance risk-sharing plan~~ Health  
12 Insurance Risk-Sharing Plan fund, the amounts in the schedule for the  
13 administration of ~~ch. 149 subch. II of ch. 619,~~ subject to s. ~~149.143~~ 619.143 (2m).

14           **SECTION 5.** 20.435 (4) (v) of the statutes is renumbered 20.145 (5) (v) and  
15 amended to read:

16           20.145 (5) (v) ~~Health insurance risk-sharing plan; program~~ Program benefits.  
17 All moneys received by the ~~health insurance risk-sharing plan~~ Health Insurance  
18 Risk-Sharing Plan fund, except for moneys appropriated under par. (u), for the  
19 operating costs of the ~~health insurance risk-sharing plan~~ Health Insurance  
20 Risk-Sharing Plan under ~~ch. 149 subch. II of ch. 619,~~ subject to s. ~~149.143~~ 619.143  
21 (2m).

22           **SECTION 6.** 25.55 (1) of the statutes is amended to read:

23           25.55 (1) All moneys appropriated under s. ~~20.435 (4)~~ 20.145 (5) (af).

24           **SECTION 7.** 25.55 (2) of the statutes is amended to read:

25           25.55 (2) All moneys appropriated under s. ~~20.435 (4)~~ 20.145 (5) (ah).

*plain*

1 SECTION 8. 25.55 (3) of the statutes is amended to read:  
2 25.55 (3) Insurer and drug manufacturer and distributor assessments under  
3 ch. 149 subch. II of ch. 619

4 SECTION 9. 25.55 (4) of the statutes is amended to read:  
5 25.55 (4) Premiums paid by eligible persons under ch. 149 subch. II of ch. 619.

6 SECTION 10. 71.65 (4) of the statutes is amended to read:  
7 71.65 (4) SELF-INSURERS. A person who is required to file an annual  
8 withholding report under sub. (3) (a) and who is a self-insurer for the purposes of ch.  
9 149 subch. II of ch. 619 shall indicate on the return that the person is such a  
10 self-insurer.

11 SECTION 11. Chapter 149 (title) of the statutes is repealed.

12 SECTION 12. 149.10 (intro.) of the statutes is renumbered 619.10 (intro.) and  
13 amended to read:

14 **619.10 Definitions.** (intro.) In this chapter subchapter:

15 SECTION 13. 149.10 (2) of the statutes is renumbered 619.10 (2) and amended  
16 to read:

17 619.10 (2) "Board" means the board of governors established under s. 149.15  
18 619.15.

19 SECTION 14. 149.10 (2c) of the statutes is renumbered 619.10 (2c).

20 SECTION 15. 149.10 (2f) of the statutes is repealed.

21 SECTION 16. 149.10 (2j) of the statutes is renumbered 619.10 (2j).

22 SECTION 17. 149.10 (2m) of the statutes is repealed.

23 SECTION 18. 149.10 (2t) of the statutes is renumbered 619.10 (2t).

24 SECTION 19. 149.10 (3) of the statutes is ~~renumbered to 619.10 (3)~~ amended  
25 to read:

*change component*

*insert 4-23*

*plain*

149.10

1  
2

~~149.10~~ (3) "Eligible person" means a resident of this state who qualifies under  
s. 149.12 ~~whether~~ whether or not the person is legally responsible for the payment of  
medical expenses incurred on the person's behalf.

SECTION 20. 149.10 (3c) of the statutes is renumbered 619.10 (3c).

SECTION 21. 149.10 (3d) of the statutes is renumbered 619.10 (3d).

SECTION 22. 149.10 (3e) of the statutes is renumbered 619.10 (3e).

SECTION 23. 149.10 (3g) of the statutes is renumbered 619.10 (3g).

SECTION 24. 149.10 (3j) of the statutes is renumbered 619.10 (3j).

SECTION 25. 149.10 (3m) of the statutes is renumbered 619.10 (3m).

SECTION 26. 149.10 (4) of the statutes is renumbered 619.10 (4).

SECTION 27. 149.10 (4c) of the statutes is renumbered 619.10 (4c).

SECTION 28. 149.10 (4m) of the statutes is renumbered 619.10 (4m).

SECTION 29. 149.10 (4p) of the statutes is repealed.

SECTION 30. 149.10 (5) of the statutes is renumbered 619.10 (5).

SECTION 31. 149.10 (5m) of the statutes is renumbered 619.10 (5m).

SECTION 32. 149.10 (6) of the statutes is renumbered 619.10 (6).

SECTION 33. 149.10 (7) of the statutes is renumbered 619.10 (7).

SECTION 34. 149.10 (8) of the statutes is renumbered 619.10 (8) and amended  
to read:  
619.10 (8) "Plan" means the health care insurance plan established and  
administered under this chapter subchapter.

*keep*

SECTION 35. 149.10 (8b) of the statutes is repealed.

SECTION 36. 149.10 (8c) of the statutes is repealed.

SECTION 37. 149.10 (8j) of the statutes is renumbered 619.10 (8j).

SECTION 38. 149.10 (8m) of the statutes is renumbered 619.10 (8m).

1 ~~SECTION 39. 149.10(8p) of the statutes is repealed.~~

2 SECTION 40. 149.10 (9) of the statutes is ~~repealed~~ and amended  
3 to read:

4 619.10 (9) "Resident" means a person who has been legally domiciled in this  
5 state for a period of at least 30 days or, with respect to an eligible individual, an  
6 individual who resides in this state. For purposes of this ~~chapter~~ subchapter, legal  
7 domicile is established by living in this state and obtaining a Wisconsin motor vehicle  
8 operator's license, registering to vote in Wisconsin, or filing a Wisconsin income tax  
9 return. A child is legally domiciled in this state if the child lives in this state and if  
10 at least one of the child's parents or the child's guardian is legally domiciled in this  
11 state. A person with a developmental disability or another disability which that  
12 prevents the person from obtaining a Wisconsin motor vehicle operator's license,  
13 registering to vote in Wisconsin, or filing a Wisconsin income tax return, is legally  
14 domiciled in this state by living in this state.

15 SECTION 41. 149.10 (10) of the statutes is repealed.

16 SECTION 42. 149.10 (11) of the statutes is renumbered 619.10 (11).

17 SECTION 43. 149.11 of the statutes is ~~repealed~~ and amended to read:

18 <sup>149.11</sup> ~~619.11~~ **Operation of plan.** The department board shall promulgate rules for  
19 the design and operation of a plan of health insurance coverage for an eligible person  
20 which that satisfies the requirements of this chapter ~~subchapter~~ plan

21 SECTION 44. 149.115 of the statutes is renumbered 619.115 and amended to  
22 read:

23 **619.115 Rules relating to creditable coverage.** The commissioner, in  
24 consultation with the department, shall promulgate rules that specify how  
25 creditable coverage is to be aggregated for purposes of s. 149.10 619.10 (2t) (a) and

Design component

change components

1 that determine the creditable coverage to which s. 149.10 ~~619.10~~ (2t) (b) and (d)  
2 applies. The rules shall comply with section 2701 (c) of PL. 104-191.

3 SECTION 45. 149.12<sup>(3)(c)</sup> of the statutes is ~~renumbered 619.12 and 619.12 (3)(c) as~~

4 ~~renumbered 149.12~~ amended to read:

5 ~~619.12~~ (3) (c) The department board may promulgate rules specifying other  
6 deductible or coinsurance amounts that, if paid or reimbursed for persons, will not  
7 make the persons ineligible for coverage under the plan.

8 SECTION 46. 149.13 (title) of the statutes is renumbered 619.13 (title).

9 SECTION 47. 149.13 (1) of the statutes is ~~renumbered 619.13 and~~ amended  
10 to read:

11 ~~619.13~~ (1) Every insurer shall participate in the cost of administering the plan,  
12 except that the commissioner may by rule exempt as a class those insurers whose

13 share as determined under sub. (2) would be so minimal as <sup>to</sup> ~~to~~ not exceed the ✓  
14 estimated cost of levying the assessment. The commissioner shall advise the

15 department of the insurers participating in the cost of administering the plan. ← plain

\*\*\*NOTE: Should the last sentence be stricken or do you instead want to retain the last sentence but change "department" to "board"?

board

change components

16 SECTION 48. 149.13 (2) of the statutes is repealed and recreated to read:

17 SECTION 49. 149.13 (3) of the statutes is ~~renumbered 619.13 and~~ amended  
18 to read:

19 ~~619.13~~ (3) (a) Each insurer's proportion of participation under sub. (2) shall be  
20 determined annually by the commissioner based on annual statements and other  
21 reports filed by the insurer with the commissioner. The commissioner shall assess  
22 an insurer for the insurer's proportion of participation based on the total  
23 assessments estimated by the department under s. 149.143 (2) (a) 3.

Insert 7-16 See p.30

Insert 8-7

1 (b) If the department ~~or~~ <sup>plain</sup> the commissioner <sup>or board</sup> finds that the commissioner's  
 2 authority to require insurers to report under chs. 600 to 646 and 655 is not adequate  
 3 to permit the <sup>plain</sup> department, ~~the~~ commissioner <sup>or</sup> the board to carry out the  
 4 <sup>plain</sup> department's, commissioner's <sup>or</sup> board's responsibilities under this chapter <sup>plain</sup>  
 5 ~~sub.~~ the commissioner shall promulgate rules requiring insurers to report  
 6 the information necessary for the <sup>plain</sup> department, commissioner <sup>and</sup> board to make the  
 7 determinations required under this chapter ~~sub.~~

8 ~~SECTION 50. 149.13 (4) of the statutes is repealed.~~  
 9 ~~SECTION 51. 149.14 (title) of the statutes is renumbered 619.14 (title).~~  
 10 ~~SECTION 52. 149.14 (1) of the statutes is renumbered 619.14 (1), and 619.14 (1)~~  
 11 ~~(b), as renumbered, is amended to read:~~  
 12 ~~619.14 (1) (b) If an individual terminates ~~medical assistance~~ Medical~~  
 13 ~~Assistance coverage and applies for coverage under the plan within 45 days after the~~  
 14 ~~termination and is subsequently found to be eligible under s. ~~149.12~~ 619.12, the~~  
 15 ~~effective date of coverage for the eligible person under the plan shall be the date of~~  
 16 ~~termination of ~~medical assistance~~ Medical Assistance coverage.~~  
 17 ~~SECTION 53. 149.14 (2) of the statutes is renumbered 619.14 (2).~~

18 SECTION 54. 149.14 (3) (intro.) of the statutes is renumbered ~~149.14~~ (3) and  
 19 amended to read: <sup>149.14</sup>  
 20 ~~619.14~~ (3) COVERED EXPENSES. Except as provided in sub. (4), except as  
 21 restricted by cost containment provisions under s. 149.17 ~~or~~ (4) and except as  
 22 reduced by the <sup>plain</sup> department <sup>plain</sup> board under ss. 149.143 ~~or~~ and 149.144 ~~or~~,  
 23 covered expenses for the coverage under this section shall be the payment rates  
 24 established by the <sup>plain</sup> department under s. 149.142 ~~or~~ for the services provided by  
 25 persons licensed under ch. 446 and certified under s. 49.45 (2) (a) 11. Except as

1 provided in sub. (4), except as restricted by cost containment provisions under s.  
 2 <sup>plain</sup> 149.17 ~~149.17~~ (4) and except as reduced by the department <sup>plain</sup> board under ss. 149.143  
 3 ~~149.142~~ and <sup>plain</sup> 149.144 ~~149.144~~, covered expenses for the coverage under this section  
 4 shall also be the payment rates established by the department under s. <sup>plain</sup> 149.142  
 5 ~~149.142~~ for the following services and articles specified by the board if the service or  
 6 article is prescribed by a physician who is licensed under ch. 448 or in another state  
 7 and who is certified under s. 49.45 (2) (a) 11. and if the service or article is provided  
 8 by a provider certified under s. 49.45 (2) (a) 11.

9 SECTION 55. 149.14 (3) (a) to (r) of the statutes are repealed.

10 SECTION 56. 149.14 (4) of the statutes is repealed.

11 SECTION 57. 149.14 (4c) of the statutes is repealed.

12 SECTION 58. 149.14 (4m) of the statutes is ~~repealed~~  
 13 amended to read:

14 ~~619.14 (4m) PAYMENT IS PAYMENT IN FULL. Except for copayments, coinsurance,~~  
 15 ~~or deductibles required or authorized under the plan, a provider of a covered service~~  
 16 ~~or article shall accept as payment in full for the covered service or article the payment~~  
 17 ~~rate determined under ss. 149.142, 149.143 and 149.144 619.142, 619.143, and~~  
 18 ~~619.144 and may not bill an eligible person who receives the service or article for any~~  
 19 ~~amount by which the charge for the service or article is reduced under s. 149.142,~~  
 20 ~~149.143 or 149.144 619.142, 619.143, or 619.144.~~

21 SECTION 59. 149.14 (5) of the statutes is renumbered 619.14 (5), and 619.14 (5)  
 22 (a), (d) and (e), as renumbered, are amended to read:

23 ~~619.14 (5) (a) The plan shall offer a deductible in combination with appropriate~~  
 24 ~~premiums determined under this chapter subchapter for major medical expense~~  
 25 ~~coverage required under this section. For coverage offered to those persons eligible~~

★ Sec.#. AM; 149.14 (5) (d)



1 for medicare Medicare, the plan shall offer a deductible equal to the deductible  
 2 charged by part A of title XVIII of the federal social security act Social Security Act,  
 3 as amended. The deductible amounts for all other eligible persons shall be  
 4 dependent upon household income as determined under s. ~~149.165~~ 619.165. For  
 5 eligible persons under s. ~~149.165~~ 619.165 (2) (a) 1., the deductible shall be \$500. For  
 6 eligible persons under s. ~~149.165~~ 619.165 (2) (a) 2., the deductible shall be \$600. For  
 7 eligible persons under s. ~~149.165~~ 619.165 (2) (a) 3., the deductible shall be \$700. For  
 8 eligible persons under s. ~~149.165~~ 619.165 (2) (a) 4., the deductible shall be \$800. For  
 9 all other eligible persons who are not eligible for medicare Medicare, the deductible  
 10 shall be \$1,000. With respect to all eligible persons, expenses used to satisfy the  
 11 deductible during the last 90 days of a calendar year shall also be applied to satisfy  
 12 the deductible for the following calendar year.

13 <sup>(B)</sup> 149.14(5)(d) Notwithstanding pars. (a) to (c), the department board may establish  
 14 different deductible amounts, a different coinsurance percentage, and different  
 15 covered costs and deductible aggregate amounts from those specified in pars. (a) to  
 16 (c) in accordance with cost containment provisions established by the department  
 17 board under s. ~~149.17~~ <sup>plain</sup> ~~(4)~~ (4).

18 <sup>(E)</sup> 149.14(5)(e) Subject to sub. (3)(b), the department The board may, by rule under s. ~~149.17~~ <sup>plain</sup>

19 ~~(4)~~ (4), establish for prescription drug coverage under sub. (3)(d) this section  
 20 copayment amounts, coinsurance rates, and copayment and coinsurance  
 21 out-of-pocket limits over which the plan will pay 100% of covered costs under sub.  
 22 (3)(d). Any copayment amount, coinsurance rate, or out-of-pocket limit established  
 23 under this paragraph is subject to the approval of the board for prescription drugs.  
 24 Copayments and coinsurance paid by an eligible person under this paragraph are

SEC. # AM, 149.14(5)(e)

1 shall be separate from and ~~do~~ may not count toward the deductible and covered costs  
2 not paid by the plan under pars. (a) to (c).

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3 SECTION 60. 149.14 (5m) <sup>(c)</sup> of the statutes is ~~renumbered 619.14 (5m) and 619.14~~

4 ~~5m~~ (c) as ~~renumbered~~ amended to read:

5 <sup>149.14</sup> ~~619.14~~ (5m) (c) Other economic factors that the department and the board  
6 consider considers relevant.

7 SECTION 61. 149.14 (6) of the statutes is ~~renumbered 619.14 (6)~~.

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com

8 SECTION 62. 149.14 (7) <sup>(b) and (c)</sup> of the statutes is ~~renumbered 619.14 (7) and 619.14 (7)~~

9 ~~board (c)~~ as ~~renumbered~~ amended to read:

10 <sup>149.14</sup> ~~619.14~~ (7) (b) The department board has a cause of action against an eligible  
11 participant person for the recovery of the amount of benefits paid ~~which~~ that are not  
12 for covered expenses under the plan. Benefits under the plan may be reduced or  
13 refused as a setoff against any amount recoverable under this paragraph.

14 (c) The department board is subrogated to the rights of an eligible person to  
15 recover special damages for illness or injury to the person caused by the act of a 3rd  
16 person to the extent that benefits are provided under the plan. Section 814.03 (3)  
17 applies to the department board under this paragraph.

18 SECTION 63. 149.14 (8) of the statutes is repealed.

ch  
com

19 SECTION 64. 149.142 <sup>(1)</sup> of the statutes is ~~renumbered 619.142~~ amended to  
20 read:

21 <sup>149.142</sup> ~~619.142~~ <sup>No ③</sup> ~~Provision payment rates~~ (1) (a) Except as provided in par. (b), the  
22 department board, in consultation with the department ~~(of Health and Senior~~  
23 ~~services)~~ shall establish payment rates for covered expenses that consist of the  
24 allowable charges paid under s. 49.46 (2) for the services and articles provided plus  
25 an enhancement determined by the department board. The rates shall be based on

1 the allowable charges paid under s. 49.46 (2), projected plan costs, and trend factors.  
2 Using the same methodology that applies to ~~medical assistance~~ Medical Assistance  
3 under subch. IV of ch. 49, the department board shall establish hospital outpatient  
4 per visit reimbursement rates and hospital inpatient reimbursement rates that are  
5 specific to diagnostically related groups of eligible persons.

6 (b) The payment rate for a prescription drug shall be the allowable charge paid  
7 under s. 49.46 (2) (b) 6. h. for the prescription drug. Notwithstanding s. 149.17 *plain*  
8 ~~149.17~~ (4), the department board may not reduce the payment rate for prescription  
9 drugs below the rate specified in this paragraph, and the rate may not be adjusted  
10 under s. 149.143 *plain* or 149.144 ~~149.143 or 149.144~~

11 (2) Except as provided in sub. (1) (b), the rates established under this section  
12 are subject to adjustment under ss. 149.143 and 149.144 619.143 and 619.144.

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13 SECTION 65. 149.143 of the statutes is renumbered 619.143, and 619.143 (1)  
14 (intro.), (a) and (b) 1. a., c. and d. and 2. a. and b., (2) (a) (intro.), 1. a., 2., 3. and 4.  
15 and (b), (2m) (a) (intro) and 2. and (b) 1., 2. and 3., (3) (3m), (4) and (5), as  
16 renumbered, are amended to read:

17 ~~619.143~~ <sup>149.143</sup> (1) (intro.) The department ~~board~~ shall pay or recover the *plain*  
18 operating costs of the plan from the appropriation under s. 20.435 (4) ~~20.435 (4)~~ (v)  
19 and administrative costs of the plan from the appropriation under s. 20.435 (4) *plain*

20 ~~20.435 (4)~~ (u). For purposes of determining premiums, insurer and drug  
21 manufacturer and distributor assessments, and provider payment rate adjustments,  
22 the department board shall apportion and prioritize responsibility for payment or  
23 recovery of plan costs from among the moneys constituting the fund as follows:

24 (a) First from the moneys transferred to the fund from the appropriation  
25 account under s. 20.435 (4) 20.145 (5) (af).

*2*

1 (b) 1. a. First, from premiums from eligible persons with coverage under s.  
 2 ~~149.14 619.14~~ (2) (a) set at a rate that is 140% to 150% of the rate that a standard  
 3 risk would be charged under an individual policy providing substantially the same  
 4 coverage and deductibles as are provided under the plan and from eligible persons  
 5 with coverage under s. ~~149.14 619.14~~ (2) (b) set in accordance with s. ~~149.14 619.14~~  
 6 (5m), including amounts received for premium and deductible subsidies under s.  
 7 ~~149.144 619.144~~ and under the transfer to the fund from the appropriation account  
 8 under s. ~~20.435 (4) 20.145 (5)~~ (ah), and from premiums collected from eligible persons  
 9 with coverage under s. ~~149.146 619.141~~ set in accordance with s. ~~149.146 619.141~~ (2)  
 10 (b).

11 c. Third, by increasing premiums from eligible persons with coverage under s.  
 12 ~~149.14 619.14~~ (2) (a) to more than the rate at which premiums were set under subd.  
 13 1. a. but not more than 200% of the rate that a standard risk would be charged under  
 14 an individual policy providing substantially the same coverage and deductibles as  
 15 are provided under the plan and from eligible persons with coverage under s. ~~149.14~~  
 16 ~~619.14~~ (2) (b) by a comparable amount in accordance with s. ~~149.14 619.14~~ (5m),  
 17 including amounts received for premium and deductible subsidies under s. ~~149.144~~  
 18 ~~619.144~~ and under the transfer to the fund from the appropriation account under s.  
 19 ~~20.435 (4) 20.145 (5)~~ (ah), and by increasing premiums from eligible persons with  
 20 coverage under s. ~~149.146 619.141~~ in accordance with s. ~~149.146 619.141~~ (2) (b), to  
 21 the extent that the amounts under subd. 1. a. and b. are insufficient to pay 60% of  
 22 plan costs.

23 <sup>(b) 1.</sup> ~~149.143 (1)~~ d. Fourth, notwithstanding subd. 2., by increasing insurer assessments,  
 24 <sup>Plan</sup> excluding assessments under s. ~~149.144~~ ~~149.144~~ ~~149.144~~ increasing drug manufacturer and  
 25 <sup>2</sup> drug distributor assessments, excluding assessments under s. ~~149.144~~ and

SEC.#. AM; 149.143(1)(b) 1. d.

149.144

SEC. #.  
AM, 149.143(1)(b)2.a.

1 adjusting provider payment rates, subject to s. 149.142 ~~619.144~~ (1) (b) and excluding  
2 adjustments to those rates under s. 149.144 ~~619.144~~, in equal proportions and to the  
3 extent that the amounts under subd. 1. a. to c. are insufficient to pay 60% of plan  
4 costs.

plain  
↓

5 149.143(1)(b) 2. a. ~~Fifty percent~~ One-third from insurer assessments, excluding assessments  
6 under s. 149.144 ~~619.144~~. SEC. #.  
AM, 149.143(1)(b)2.b.

7 149.143(1)(b)2. b. ~~Fifty percent~~ One-third from adjustments to provider payment rates,  
8 subject to s. 149.142 ~~619.144~~ (1) (b) and excluding adjustments to those rates under  
9 s. 149.144 ~~619.144~~. SEC. #.

AM, 149.143(2)(a)(intro.)

10 149.143 (2) (a) (intro.) Prior to each plan year, the department board shall estimate the  
11 operating and administrative costs of the plan and the costs of the premium  
12 reductions under s. 149.165 ~~619.165~~ and the deductible reductions under s. 149.14  
13 ~~619.144~~ (5) (a) for the new plan year and do all of the following:

14 1. a. Estimate the amount of enrollee premiums that would be received in the  
15 new plan year if the enrollee premiums were set at a level sufficient, when including  
16 amounts received for premium and deductible subsidies under s. 149.144 ~~619.144~~  
17 and under the transfer to the fund from the appropriation account under s. 20.435  
18 (4) ~~20.145~~ (5) (ah) and from premiums collected from eligible persons with coverage  
19 under s. 149.146 ~~619.141~~ set in accordance with s. 149.146 ~~619.141~~ (2) (b), to cover  
20 60% of the estimated plan costs for the new plan year, after deducting from the  
21 estimated plan costs the amount available for transfer to the fund from the  
22 appropriation account under s. 20.435 (4) ~~20.145~~ (5) (af) for that plan year.

23 149.143(2)(a) 2. After making the determinations under subd. 1., by rule set premium rates  
24 for the new plan year, including the rates under s. 149.146 ~~619.144~~ (2) (b), in the  
25 manner specified in sub. (1) (b) 1. a. and c. and such that a rate for coverage under

SEC. #.  
AM, 149.143(2)(a)2.

pe ✓  
 1 s. 149.14 ~~149.14~~ (2) (a) is approved by the board and is not less than 140% nor more  
 2 than 200% of the rate that a standard risk would be charged under an individual  
 3 policy providing substantially the same coverage and deductibles as are provided  
 4 under the plan.

5 3. By rule set the total insurer assessments under s. 149.13 ~~619.13~~ for the new  
 6 plan year by estimating and setting the assessments at the amount necessary to  
 7 equal the amounts specified in sub. (1) (b) 1. d. and 2. a. and notify the commissioner  
 8 of the amount.   
 SEC.#.  
 AM, 149.143(2)(a) 4.

9 149.143(2)(a) 4. By the same rule as under subd. 3. ~~subds. 3. and 3m.~~, adjust the provider  
 10 payment rate for the new plan year, subject to s. 149.142 ~~149.142~~ (1) (b), by  
 11 estimating and setting the rate at the level necessary to equal the amounts specified  
 12 in sub. (1) (b) 1. d. and 2. b. and as provided in s. 149.145 ~~149.145~~.

13 149.143(2)(b) In setting the premium rates under par. (a) 2., the insurer assessment  
 14 amount under par. (a) 3., the drug manufacturer and drug distributor assessment  
 15 amount under par. (a) 3m., and the provider payment rate under par. (a) 4. for the  
 16 new plan year, the department board shall include any increase or decrease  
 17 necessary to reflect the amount, if any, by which the rates and amount set under par.  
 18 (a) for the current plan year differed from the rates and amount which would have  
 19 equaled the amounts specified in sub. (1) (b) in the current plan year.

20 149.143 (2m) (a) (intro.) The department board shall keep a separate accounting of the  
 21 difference between the following:

22 2. The amount of premiums, including amounts received for premium and  
 23 deductible subsidies, necessary to cover 60% of the plan costs for the plan year, after  
 24 deducting the amount transferred to the fund from the appropriation account under  
 25 s. 20.435 (4) ~~20.145~~ (5) (af).

SEC.#. AM, 149.143(2)(b)

SEC.#. AM, 149.143(2m)(a)(intro.)

SEC # AM; 149.143(2m)(b) 2.

1 (b) 1. To reduce premiums in succeeding plan years as provided in sub. (1) (b)  
2 1. b. For eligible persons with coverage under s. 149.14 ~~619.14~~ (2) (a), premiums may  
3 not be reduced below 140% of the rate that a standard risk would be charged under  
4 an individual policy providing substantially the same coverage and deductibles as  
5 are provided under the plan.

6 149.143 2. For other needs of eligible persons, with the approval of the board.

7 149.143(2m) 3. For distribution to eligible persons, notwithstanding any requirements in  
8 this chapter ~~relating to~~ related to setting premium amounts. The department  
9 board, with the approval of the board and the concurrence of the plan actuary, shall  
10 determine the policies, eligibility criteria, methodology, and other factors to be used  
11 in making any distribution under this subdivision.

12 149.143 (3) (a) If, during a plan year, the department board determines that the  
13 amounts estimated to be received as a result of the rates and amount set under sub.  
14 (2) (a) 2. to 4. and any adjustments in insurer and drug manufacturer and drug  
15 distributor assessments and the provider payment rate under s. 149.144 ~~will~~ will  
16 not be sufficient to cover plan costs, the department board may by rule increase the  
17 premium rates set under sub. (2) (a) 2. for the remainder of the plan year, subject to  
18 s. 149.146 ~~(2) (b)~~ (2) (b) and the maximum specified in sub. (2) (a) 2., by rule  
19 increase the assessments set under sub. (2) (a) 3. and 3m. for the remainder of the  
20 plan year, subject to sub. (1) (b) 2. a. and am., and by the same rule under which  
21 assessments are increased adjust the provider payment rate set under sub. (2) (a) 4.  
22 for the remainder of the plan year, subject to sub. (1) (b) 2. b. and s. 149.142 ~~and~~

23 (1) (b) SEC # AM; 149.143(3)(b)

24 149.143 (3) (b) If the department board increases premium rates and insurer and drug  
25 manufacturer and drug distributor assessments and adjusts the provider payment

1 rate under par. (a) and determines that there will still be a deficit and that premium  
2 rates have been increased to the maximum extent allowable under par. (a), the  
3 department board may further adjust, in equal proportions, assessments set under  
4 sub. (2) (a) 3. and 3m. and the provider payment rate set under sub. (2) (a) 4., without

5 regard to sub. (1) (b) 2. but subject to s. 149.142 ~~149.142~~ (1) (b).  
~~SEC. # AM; 149.143 (3m)~~

6 149.143 (3m) Subject to s. 149.14 ~~149.14~~ (4m), insurers, drug manufacturers, drug  
7 distributors, and providers may recover in the normal course of their respective  
8 businesses without time limitation assessments or provider payment rate  
9 adjustments used to recoup any deficit incurred under the plan.

10 149.143 (4) Using the procedure under s. 227.24, the department board may  
11 promulgate rules under sub. (2) or (3) for the period before the effective date of any  
12 permanent rules promulgated under sub. (2) or (3), but not to exceed the period  
13 authorized under s. 227.24 (1) (c) and (2). Notwithstanding s. 227.24 (1) and (3), the  
14 department board is not required to make a finding of emergency.

15 149.143 (5) (a) Annually, no later than April 30, the department board shall perform  
16 a reconciliation with respect to plan costs, premiums, insurer assessments, drug  
17 manufacturer and drug distributor assessments, and provider payment rate  
18 adjustments based on data from the previous calendar year. On the basis of the  
19 reconciliation, the department board shall make any necessary adjustments in  
20 premiums, insurer assessments, drug manufacturer or distributor assessments, or  
21 provider payment rates, subject to s. 149.142 ~~149.142~~ (1) (b), for the fiscal year  
22 beginning on the first July 1 after the reconciliation, as provided in sub. (2) (b).

23 (b) Except as provided in sub. (3) and s. 149.144 ~~149.144~~, the department board  
24 shall adjust the provider payment rates to meet the providers' specified portion of the  
25 plan costs no more than once annually, subject to s. 149.142 ~~149.142~~ (1) (b). The

1 department board may not determine the adjustment on an individual provider basis  
2 or on the basis of provider type, but shall determine the adjustment for all providers  
3 in the aggregate, subject to s. 149.142 ~~619.144~~ (1) (b).

4 **SECTION 66.** 149.144 of the statutes is ~~renumbered 619.144 and~~ amended to  
5 read:

6 **149.144**  
**619.144** Adjustments to ~~insurer~~ assessments and provider payment  
7 rates for premium and deductible reductions. If the moneys transferred to the  
8 fund under the appropriation under s. 20.435 (4) ~~619.144~~ (ah) are insufficient to  
9 reimburse the plan for premium reductions under s. 149.165 ~~619.144~~ and deductible  
10 reductions under s. 149.14 ~~619.144~~ (5) (a), or the department board determines that  
11 the moneys transferred or to be transferred to the fund under the appropriation  
12 under s. 20.435 (4) ~~619.144~~ (ah) will be insufficient to reimburse the plan for  
13 premium reductions under s. 149.165 ~~619.144~~ and deductible reductions under s.  
14 149.14 ~~619.144~~ (5) (a), the department board may, by rule, adjust in equal proportions  
15 the ~~amount~~ amounts of the ~~assessment~~ assessments set under s. 149.143 ~~619.144~~ (2)  
16 (a) 3. and 3m. and the provider payment rate set under s. 149.143 ~~619.144~~ (2) (a) 4.,  
17 subject to ss. 149.142 ~~619.144~~ (1) (b) and 149.143 ~~619.144~~ (1) (b) 1., sufficient to  
18 reimburse the plan for premium reductions under s. 149.165 ~~619.144~~ and deductible  
19 reductions under s. 149.14 ~~619.144~~ (5) (a). If the department board makes the  
20 adjustment under this section, the department board shall notify the commissioner  
21 and the pharmacy examining board so that the commissioner may levy any  
22 necessary increase in insurer assessments and the pharmacy examining board may  
23 levy any necessary increase in drug manufacturer and drug distributor assessments.

24 **SECTION 67.** 149.145 of the statutes is ~~renumbered 619.145 and~~ amended to  
25 read:

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②  
149.145

① ~~619.143~~ Program budget. The department, in consultation with the board,  
 2 shall establish a program budget for each plan year. The program budget shall be  
 ③ based on the provider payment rates specified in s. 149.142 ~~619.142~~ and in the most  
 4 recent provider contracts that are in effect and on the funding sources specified in  
 ⑤ s. 149.143 ~~619.143~~ (1), including the methodologies specified in ss. 149.143, 149.144,  
 ⑥ and 149.146 ~~619.146~~ for determining premium rates, insurer  
 7 and drug manufacturer and distributor assessments, and provider payment rates.  
 ⑧ Except as otherwise provided in s. 149.143 ~~619.143~~ (3) (a) and (b) and subject to s.  
 ⑨ 149.142 ~~619.142~~ (1) (b), from the program budget the department board shall derive  
 10 the actual provider payment rate for a plan year that reflects the providers'  
 11 proportional share of the plan costs, consistent with ss. 149.143 and 149.144. The  
 12 ~~department may not implement a program budget established under this section~~  
 13 unless it is approved by the board ~~619.143~~ *strike periods*

14 SECTION 68. 149.146 of the statutes is renumbered 619.141, and 619.141 (1)  
 15 and (2) (a), (am) 4. and 5. and (b) (intro.) and 1., as renumbered, are amended to read:  
 16 619.141 (1) (a) ~~Beginning on January 1, 1998, in~~ In addition to the coverage  
 17 required under s. ~~149.14~~ 619.14, the plan shall offer to all eligible persons who are  
 18 not eligible for ~~medicare~~ Medicare a choice of coverage, as described in section 2744  
 19 (a) (1) (C), P.L. 104-191. Any such choice of coverage shall be major medical expense  
 20 coverage.

21 149.146 <sup>(1)</sup> (b) An eligible person under par. (a) may elect once each year, at the time and  
 22 according to procedures established by the department board, among the coverages  
 23 offered under this section and s. 149.14 ~~619.14~~ <sup>pl</sup>. If an eligible person elects new  
 24 coverage, any preexisting condition exclusion imposed under the new coverage is met  
 25 to the extent that the eligible person has been previously and continuously covered

1 under this chapter ~~subchapter~~. No preexisting condition exclusion may be imposed  
 2 on an eligible person who elects new coverage if the person was an eligible individual  
 3 when first covered under this chapter ~~subchapter~~ and the person remained  
 4 continuously covered under this chapter ~~subchapter~~ up to the time of electing the  
 5 new coverage. ~~SEC. # AM, 149.146 (2)(a)~~

6 149.146 (2) (a) Except as specified by the department board, the terms of coverage  
 7 under s. 149.14 ~~subchapter~~, including deductible reductions under s. 149.14 ~~subchapter~~ (5)  
 8 (a), do not apply to the coverage offered under this section. Premium reductions  
 9 under s. 149.165 ~~subchapter~~ do not apply to the coverage offered under this section.

10 149.146 (2) (am) 4. Notwithstanding subs. 1. to 3., the department board may establish  
 11 different deductible amounts, a different coinsurance percentage, and different  
 12 covered costs and deductible aggregate amounts from those specified in subs. 1. to  
 13 3. in accordance with cost containment provisions established by the department  
 14 board under s. 149.17 ~~subchapter~~ (4).

15 149.146 (2) (am) 5. Subject to s. 149.14 (8) (b), the department The board may, by rule under s.  
 16 149.17 ~~subchapter~~ (4), establish for prescription drug coverage under this section  
 17 copayment amounts, coinsurance rates, and copayment and coinsurance  
 18 out-of-pocket limits over which the plan will pay 100% of covered costs for  
 19 prescription drugs. ~~Any copayment amount, coinsurance rate, or out-of-pocket~~  
 20 ~~limit established under this subdivision is subject to the approval of the board.~~  
 21 Copayments and coinsurance paid by an eligible person under this subdivision are  
 22 shall be separate from and do not count toward the deductible and covered costs  
 23 not paid by the plan under subs. 1. to 3.

24 149.146 (2) (b) (intro.) The schedule of premiums for coverage under this section shall be  
 25 promulgated by rule by the department board, as provided in s. 149.143 ~~subchapter~~. The

SEC. # AM; 149.146 (2) (am) 5.

SEC. # AM; 149.146 (2) (b) (intro.)

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1 rates for coverage under this section shall be set such that they differ from the rates

2 for coverage under s. <sup>PR</sup>149.14 ~~149.14~~ (2) (a) by the same percentage as the percentage

3 difference between the following:

~~SEC. #~~ AM; 149.146 (2) (b) 1.

4 149.146 (2) 1. The rate that a standard risk would be charged under an individual policy

5 providing substantially the same coverage and deductibles as provided under s.

6 149.14 <sup>PR</sup>~~149.14~~ (2) (a) and (5) (a) or (d).

7 ~~SECTION 69. 149.15 (title) of the statutes is renumbered 619.15 (title).~~

8 SECTION 70. 149.15 (1) of the statutes is ~~renumbered 619.15 (1) and~~ amended

9 to read:

149.15

10 ~~619.15~~ (1) The plan shall operate under the direction of a board of

11 governors consisting of representatives of 2 participating insurers that are nonprofit

12 corporations, representatives of 2 other participating insurers, 3 health care

13 provider representatives, including one representative of the State Wisconsin

14 Medical Society of Wisconsin, one representative of the Wisconsin Health and

15 Hospital Association, and one representative of an integrated multidisciplinary

16 health system, and 4 public members, including one representative of small

17 businesses in the state, appointed by the secretary <sup>PR</sup>~~commissioner~~ for staggered

18 3-year terms. In addition, the commissioner, or a designated representative from

19 the office of the commissioner, and the secretary ~~of health and family services~~ <sup>PR</sup>~~commissioner~~, or a

20 designated representative from the department ~~of health and family services~~ <sup>PR</sup>~~commissioner~~, shall

21 be ex officio nonvoting members of the board. The public members shall not be

22 professionally affiliated with the practice of medicine, a hospital, or an insurer. At

23 least one of the public members shall be an individual who has coverage under the

24 plan. The <sup>✓</sup>secretary ~~or the secretary's representative~~ shall be board annually shall

25 select the chairperson of the board. Board members, except the commissioner or the

1 commissioner's representative and the secretary ~~of health and family services~~ or the  
2 secretary's representative ~~of the secretary of health and family services~~ shall be  
3 compensated at the rate of \$50 per diem plus actual and necessary expenses.

4 **SECTION 71.** 149.15 (2) of the statutes is renumbered 619.15 (2).

5 **SECTION 72.** 149.15 (2m) of the statutes is renumbered 619.15 (2m).

6 **SECTION 73.** 149.15 (3) (intro.) of the statutes is renumbered 619.15 (3) (intro.).

7 **SECTION 74.** 149.15 (3) (a) of the statutes is renumbered 619.15 (3) (a).

8 **SECTION 75.** 149.15 (3) (c) of the statutes is repealed.

9 ~~**SECTION 76.** 149.15 (3) (d) of the statutes is renumbered 619.15 (3) (d).~~

10 **SECTION 77.** 149.15 (3) (f) of the statutes is repealed.

11 **SECTION 78.** 149.15 (3) (g) of the statutes is renumbered 619.15 (3) (g) and  
12 amended to read:

13 619.15 (3) (g) ~~Establish oversight committees to address various~~  
14 ~~administrative issues, such as financial management of the plan and plan~~  
15 ~~administrator performance standards. A representative of the department office~~  
16 may not be the chairperson of any committee established under this paragraph.

17 **SECTION 79.** 149.15 (4) of the statutes is renumbered 619.15 (4).

18 **SECTION 80.** 149.15 (5) of the statutes is repealed.

19 **SECTION 81.** 149.15 (6) of the statutes is renumbered 619.15 (5) and amended  
20 to read:

21 619.15 (5) If any provision of this chapter ~~subchapter~~ conflicts with s. 625.11  
22 or 625.12, this chapter ~~subchapter~~ prevails.

23 **SECTION 82.** 149.15 (7) of the statutes is renumbered 619.15 (6).

24 **SECTION 83.** 149.16 of the statutes is repealed.

(1)

1 SECTION 84. 149.165 of the statutes is ~~renumbered 619.165, and 619.165 (1)~~

2 ~~(2), (3)(a) and (b) (intro.) and (4), as renumbered~~ amended to read:

3 <sup>149.165</sup> ~~619.165~~ (1) Except as provided in s. 149.146 ~~(1)~~, (2) (a), the department  
4 board shall reduce the premiums established under s. 149.11 in conformity with ss.  
5 149.14 ~~(1)~~ (5m), 149.143 ~~(1)~~ and 149.17 ~~(1)~~ for the eligible persons and  
6 in the manner set forth in subs. (2) and (3).

~~SEC # AM; 149.165 (2)~~

7 149.165 (2) (a) Subject to sub. (3m), if the household income, as defined in s. 71.52 (5)  
8 and as determined under sub. (3), of an eligible person with coverage under s. 149.14 ~~(1)~~  
9 ~~(1)~~ (2) (a) is equal to or greater than the first amount and less than the 2nd  
10 amount listed in any of the following, the department board shall reduce the  
11 premium for the eligible person to the rate shown after the amounts:

12 1. If equal to or greater than \$0 and less than \$10,000, to 100% of the rate that  
13 a standard risk would be charged under an individual policy providing substantially  
14 the same coverage and deductibles as provided under s. 149.14 ~~(1)~~ (2) (a) and (5)  
15 (a) or (d).

16 2. If equal to or greater than \$10,000 and less than \$14,000, to 106.5% of the  
17 rate that a standard risk would be charged under an individual policy providing  
18 substantially the same coverage and deductibles as provided under s. 149.14 ~~(1)~~  
19 (2) (a) and (5) (a) or (d).

20 3. If equal to or greater than \$14,000 and less than \$17,000, to 115.5% of the  
21 rate that a standard risk would be charged under an individual policy providing  
22 substantially the same coverage and deductibles as provided under s. 149.14 ~~(1)~~  
23 (2) (a) and (5) (a) or (d).

24 4. If equal to or greater than \$17,000 and less than \$20,000, to 124.5% of the  
25 rate that a standard risk would be charged under an individual policy providing

1 substantially the same coverage and deductibles as provided under s. 149.14 <sup>pl</sup> ~~149.14~~  
2 (2) (a) and (5) (a) or (d).

3 5. If equal to or greater than \$20,000 and less than \$25,000, to 130% of the rate  
4 that a standard risk would be charged under an individual policy providing  
5 substantially the same coverage and deductibles as provided under s. 149.14 <sup>pl</sup> ~~149.14~~  
6 (2) (a) and (5) (a) or (d).

7 (bc) Subject to sub. (3m), if the household income, as defined in s. 71.52 (5) and  
8 as determined under sub. (3), of an eligible person with coverage under s. 149.14 <sup>pl</sup>  
9 ~~149.14~~ (2) (b) is equal to or greater than the first amount and less than the 2nd  
10 amount listed in par. (a) 1., 2., 3., 4., or 5., the department board shall reduce the  
11 premium established for the eligible person by the same percentage as the  
12 department board reduces, under par. (a), the premium established for an eligible  
13 person with coverage under s. 149.14 <sup>pl</sup> ~~149.14~~ (2) (a) who has a household income  
14 specified in the same subdivision under par. (a) as the household income of the  
15 eligible person with coverage under s. 149.14 <sup>pl</sup> ~~149.14~~ (2) (b).

16 ~~149.165~~ <sup>SEE #. AM; 149.165 (3) (a)</sup> (3) (a) Subject to par. (b), the department board shall establish and implement  
17 the method for determining the household income of an eligible person under sub.  
18 (2). <sup>SEE #. AM; 149.165 (3) (b) (intro.)</sup>

19 <sup>149.165 (3) (b) (intro.)</sup> (b) (intro.) In determining household income under sub. (2), the department  
20 board shall consider information submitted by an eligible person on a completed  
21 federal profit or loss from farming form, schedule F, if all of the following apply:

22 (4) The department commissioner shall reimburse the plan for premium  
23 reductions under sub. (2) and deductible reductions under s. 149.14 ~~619.14~~ (5) (a)  
24 with moneys transferred to the fund from the appropriation account under s. 20.435  
25 (4) 20.145 (5) (ah).

(4)

1 SECTION 85. 149.17 of the statutes is ~~renumbered 619.17, and 619.17 (1) (2)~~  
2 ~~and (4) as renumbered, and~~ amended to read:

3 619.17 (1) Subject to ss. 149.14 619.14 (5m), 149.143 and 149.146 619.141 (2)  
4 (b), and 619.143, a rating plan calculated in accordance with generally accepted  
5 actuarial principles.  
6 (2) A schedule of premiums, deductibles, copayments, and coinsurance  
7 payments that complies with all requirements of this chapter subchapter.

8 149.17 (4) Cost containment provisions established by the department board by rule,  
9 including managed care requirements.

10 SECTION 86. 149.175 of the statutes is ~~renumbered 619.175 and~~ amended to  
11 read:

12 <sup>149.175</sup>  
<sup>pl</sup> ~~619.175~~ **Waiver or exemption from provisions prohibited.** Except as  
13 provided in s. 149.13 ~~(1)~~, the department ~~commission~~ <sup>pl</sup> or the board may not  
14 waive, or authorize the board to waive, any of the requirements of this <sup>pl</sup> chapter  
15 ~~or exempt, or authorize the board to exempt,~~ an individual or a class of  
16 individuals from any of the requirements of this chapter ~~(1)~~ <sup>pl</sup>.

17 SECTION 87. 149.18 of the statutes is renumbered 619.18 and amended to read:

18 **619.18 Chapters 600 to 645 applicable.** Except as otherwise provided in this  
19 chapter subchapter, the plan shall comply and be administered in compliance with  
20 chs. 600 to 645.

21 SECTION 88. 149.20 of the statutes is ~~renumbered 619.20 and~~ amended to read:

22 <sup>149.20</sup>  
<sup>pl</sup> ~~619.20~~ **Rule-making in consultation with Rules to be approved by**  
23 **board.** In promulgating any Any rules proposed by the <sup>department</sup> ~~commission~~ under this  
24 chapter, the department shall consult with ~~the commission~~, may not be promulgated  
25 without the approval of the board.

(2)(a)

1 SECTION 89. 149.25 of the statutes is ~~renumbered 619.25. and 619.25(2)(a) and~~

2 ~~619.25(2)(a) (intro.) and (c) and (4), as renumbered, and~~ amended to read:

3 149.25 (2)(a) The department ~~commissioner~~ <sup>R</sup> and the board shall conduct a  
4 3-year pilot program, beginning on July 1, 2002, under which eligible persons who  
5 qualify under par. (b) are provided community-based case management services.

6 SEC.#. AM; 149.25(2)(c) 1. Participation in the pilot program shall be voluntary and limited to no  
7 more than 300 eligible persons. The department ~~commissioner~~ <sup>R</sup> or the board shall  
8 ensure that all eligible persons are advised in a timely manner of the opportunity to  
9 participate in the pilot program and of how to apply for participation.

10 149.25(2)(c) 2. If more than 300 eligible persons apply to participate, the department <sup>pl</sup>  
11 ~~commissioner~~ or the board shall select pilot program participants from among those  
12 who qualify under par. (b) according to standards determined by the department <sup>pl</sup>  
13 ~~commissioner~~ and the board, except that the department shall give preference to  
14 eligible persons who reside in medically underserved areas or health professional  
15 shortage areas shall be given preference.

16 SEC.#. AM. 149.25(3)(a) (intro.) 149.25 (3)(a) (intro.) The department board shall select and contract with an  
17 organization to provide the community-based case management services under the  
18 pilot program. To be eligible to provide the services, an organization must satisfy all  
19 of the following criteria:

20 (c) The department commissioner shall pay contract costs from the  
21 appropriation under s. 20.435(4) 20.145(5)(u).

22 149.25 (4) EVALUATION STUDY. The department ~~commissioner~~ <sup>pl 7</sup> in consultation with the  
23 board, shall conduct a study that evaluates the pilot program in terms of health care  
24 outcomes and cost avoidance. In the study, the department ~~commissioner~~ <sup>pl 2</sup> shall  
25 measure and compare, for pilot program participants and similarly situated eligible

SEC.#. AM; 149.25(4)

1 persons not participating in the pilot program, plan costs and utilization of services,  
2 including inpatient hospital days, rates of hospital readmission within 30 days for  
3 the same diagnosis, and prescription drug utilization. The department <sup>pl</sup>  
4 ~~commissioner~~, shall submit a report on the results of the study, including the  
5 department's <sup>pl</sup> ~~commissioner's~~ and the board's conclusions and recommendations, to  
6 the legislature under s. 13.172 (2) and to the governor.

7 **SECTION 90.** 185.981 (4t) of the statutes is amended to read:

8 185.981 (4t) A sickness care plan operated by a cooperative association is  
9 subject to ss. ~~252.14, 631.17, 631.89, 631.95, 632.72 (2), 632.745 to 632.749, 632.85,~~  
10 ~~632.853, 632.855, 632.87 (2m), (3), (4), and (5), 632.895 (10) to (14), and 632.897 (10),~~  
11 ~~subch. II of ch. 619, and chs. 149 and ch. 155.~~

12 **SECTION 91.** 450.10 (2m) of the statutes is created to read:

13 450.10 (2m) If a manufacturer or distributor fails to pay an assessment levied  
14 under s. ~~450.10~~ <sup>149.13 2(3)</sup> within the time required for payment, the board may assess a  
15 forfeiture of not more than \$1,000 for each day that the payment is past due.

16 **SECTION 92.** 601.41 (1) of the statutes is amended to read:

17 601.41 (1) DUTIES. The commissioner shall administer and enforce chs. 600 to  
18 655 and ss. 59.52 (11) (c), 66.0137 (4) and (4m), and 120.13 (2) (b) to (g), ~~149.13 and~~  
19 ~~149.144~~ and shall act as promptly as possible under the circumstances on all matters  
20 placed before the commissioner.

21 **SECTION 93.** 601.415 (12) of the statutes is repealed.

22 **SECTION 94.** 601.64 (1) of the statutes is amended to read:

23 601.64 (1) ~~INJUNCTIONS AND RESTRAINING ORDERS.~~ The commissioner may  
24 commence an action in circuit court in the name of the state to restrain by temporary  
25 or permanent injunction or by temporary restraining order any violation of chs. 600

1 to 655, ~~s. 149.13 or 149.144~~, any rule promulgated under chs. 600 to 655, or any order  
2 issued under s. 601.41 (4). Except as provided in s. 641.20, the commissioner need  
3 not show irreparable harm or lack of an adequate remedy at law in an action  
4 commenced under this subsection.

5 **SECTION 95.** 601.64 (3) (a) of the statutes is amended to read:

6 601.64 (3) (a) *Restitutionary forfeiture.* Whoever violates an effective order  
7 issued under s. 601.41 (4), ~~or any insurance statute or rule or s. 149.13 or 149.144~~  
8 shall forfeit to the state twice the amount of any profit gained from the violation, in  
9 addition to any other forfeiture or penalty imposed.

10 **SECTION 96.** 601.64 (3) (c) of the statutes is amended to read:

11 601.64 (3) (c) *Forfeiture for violation of statute or rule.* Whoever violates an  
12 insurance statute or rule ~~or s. 149.13 or 149.144~~, intentionally aids a person in  
13 violating an insurance statute or rule ~~or s. 149.13 or 149.144~~, or knowingly permits  
14 a person over whom he or she has authority to violate an insurance statute or rule  
15 ~~or s. 149.13 or 149.144~~ shall forfeit to the state not more than \$1,000 for each  
16 violation. If the statute or rule imposes a duty to make a report to the commissioner,  
17 each week of delay in complying with the duty is a new violation.

18 **SECTION 97.** 601.64 (4) of the statutes, as affected by 2001 Wisconsin Act 109,  
19 is amended to read:

20 601.64 (4) **CRIMINAL PENALTY.** Whoever intentionally violates or intentionally  
21 permits any person over whom he or she has authority to violate or intentionally aids  
22 any person in violating any insurance statute or rule of this state, ~~s. 149.13 or~~  
23 ~~149.144~~ or any effective order issued under s. 601.41 (4) is guilty of a Class I felony,  
24 unless a specific penalty is provided elsewhere in the statutes. Intent has the  
25 meaning expressed under s. 939.23.



1 619.10 (2r) "Drug manufacturer" means a person licensed by the pharmacy  
2 examining board under s. 450.07 (1)

3 SECTION 105. 619.13 (2) of the statutes is created to read:

4 <sup>149.13</sup>~~619.13~~ (2) Each insurer's share of the operating, administrative, and subsidy  
5 expenses of the plan shall be determined by the commissioner in the following  
6 manner:

7 (a) First, the commissioner shall divide all insurers into 2 groups, depending  
8 on whether an insurer is a stop-loss carrier.

9 (b) Next, the commissioner shall determine the number of residents covered  
10 during the preceding calendar year by the group of insurers that are not stop-loss  
11 carriers and the number of residents covered during the preceding calendar year by  
12 the group of insurers that are stop-loss carriers. The commissioner shall then  
13 apportion to each group of insurers the proportion of the total assessments estimated  
14 by the board under s. <sup>149.143</sup>~~619.143~~ (2) (a) 3. that the number of residents covered by the  
15 group bears to the total number of residents covered by both groups combined.

16 (c) Next, the commissioner shall determine the health care coverage revenue  
17 of each insurer for residents during the preceding calendar year and the aggregate  
18 health care coverage revenue of each insurer group determined under par. (a) for  
19 residents during the preceding calendar year. Except as provided in sub. (1), each  
20 insurer shall share in the total estimated assessments apportioned under par. (b) to  
21 the insurer's group in the proportion that the insurer's total health care coverage  
22 revenue for residents during the preceding calendar year bears to the aggregate  
23 health care coverage revenue of all insurers in the insurer's group for residents  
24 during the preceding calendar year, as determined by the commissioner.

25 SECTION 106. 619.132 of the statutes is created to read.

Insert 7-16

1           **619.132 Participation of drug manufacturers and distributors.** Every  
 2 drug manufacturer and drug distributor shall participate in the cost of  
 3 administering the plan in the manner provided in ss. 619.143 and 619.144. The  
 4 board shall determine the methodology for assessing drug manufacturers and drug  
 5 distributors. The commissioner shall advise the pharmacy examining board of the  
 6 assessment amounts that must be levied. The pharmacy examining board shall levy  
 7 and collect the assessments and forward the amounts collected to the commissioner  
 8 for deposit in the Health Insurance Risk-Sharing Plan fund.

Sort; out-of-order

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<sup>149.143</sup>  
~~619.143~~ SECTION 107. (1) (b) 2. am. of the statutes is created to read:

<sup>149.143</sup>  
~~619.143~~ (1) (b) 2. am. One-third from drug manufacturer and drug distributor  
 assessments, excluding assessments under s. <sup>149.144</sup>~~619.144~~.

<sup>149.143</sup>  
~~619.143~~ SECTION 108. (2) (a) 3m. of the statutes is created to read:

<sup>149.143</sup>  
~~619.143~~ (2) (a) 3m. By the same rule as under subd. 3., set the total drug  
 manufacturer and drug distributor assessments under s. <sup>149.132</sup>~~619.132~~ for the new plan  
 year by estimating and setting the assessments at the amount necessary to equal the  
 amounts specified in sub. (1) (b) 1. d. and 2. am. and notify the pharmacy examining  
 board of the amount.

<sup>149.15</sup>  
~~619.15~~ SECTION 109. (3) (b) of the statutes is created to read:

<sup>149.15</sup>  
~~619.15~~ (3) (b) Establish by rule the plan design, including covered benefits and  
 copayment and deductible amounts. At least every 3 years, the board shall conduct  
 a survey of health care plans available in the private market and make any  
 adjustments to the plan that the board determines are advisable on the basis of the  
 survey. Using the procedure under s. 227.24, the board may promulgate rules under  
 this paragraph for the period before the effective date of any permanent rules  
 promulgated under this paragraph, but not to exceed the period authorized under s.

1 227.24 (1) (c) and (2). Notwithstanding s. 227.24 (1) and (3), the board is not required  
2 to make a finding of emergency.

3 SECTION 110. <sup>149.15</sup>~~628.75~~ (3) (e) of the statutes is created to read:

4 <sup>149.15</sup>~~628.75~~ (3) (e) Select a plan administrator in a competitive,  
5 request-for-proposals process and enter into a contract with the person selected.

6 SECTION 111. <sup>149.15</sup>~~628.75~~ (3) (em) of the statutes is created to read:

7 <sup>149.15</sup>~~628.75~~ (3) (em) Contract with persons to provide professional services to the  
8 board and the plan.

9 SECTION 112. <sup>149.15</sup>~~628.75~~ (4) (c) of the statutes is created to read:

10 <sup>149.15</sup>~~628.75~~ (4) (c) Notwithstanding ss. 625.11 (4) and 628.34 (3) (a) and any  
11 requirements in this <sup>chapter</sup>~~subchapter~~ related to setting premium rates or amounts,  
12 establish for eligible persons with household incomes that exceed \$100,000 a  
13 separate schedule of premium rates that are higher than the rates set for other  
14 eligible persons. Premium rates established under this paragraph may not exceed  
15 200% of the rate that a standard risk would be charged under an individual policy  
16 providing substantially the same coverage and deductibles that are provided under  
17 the plan. Notwithstanding s. <sup>149.143</sup>~~628.143~~ (2m) (b), the board may use excess premiums  
18 collected under a schedule established under this paragraph to reduce premiums for  
19 eligible persons with low household incomes, as determined by the board.

20 SECTION 113. 631.36 (7) (a) 2. of the statutes is amended to read:

21 ~~631.36 (7) (a) 2. Unless the notice contains adequate instructions to the~~  
22 ~~policyholder for applying for insurance through a risk-sharing plan under subch. I~~  
23 ~~of ch. 619, if a risk-sharing plan exists under subch. I of ch. 619 for the kind of~~  
24 ~~coverage being canceled or nonrenewed, except as provided in par. (b).~~

25 SECTION 114. 632.785 (1) (intro.) of the statutes is amended to read:

*sort; out-of-order*

1           632.785 (1) (intro.) If an insurer issues one or more of the following or takes any  
2 other action based wholly or partially on medical underwriting considerations which  
3 is likely to render any person eligible under s. ~~149.12~~ 619.12 for coverage under ch.  
4 ~~149 subch. II of ch. 619~~, the insurer shall notify all persons affected of the existence  
5 of the ~~mandatory health insurance risk sharing plan~~ Health Insurance  
6 Risk-Sharing Plan under ch. ~~149 subch. II of ch. 619~~, as well as the eligibility  
7 requirements and method of applying for coverage under the plan:

8           **SECTION 9124. Nonstatutory provisions; health and family services.**

9           (1x) TRANSFER OF ~~HEALTH INSURANCE RISK-SHARING PLAN~~ TO OFFICE OF  
10 COMMISSIONER OF INSURANCE.

11           (a) *Assets and liabilities.* On the effective date of this paragraph, all assets and  
12 liabilities of the department of health and family services primarily related to the  
13 mandatory ~~Health Insurance Risk-Sharing Plan~~, as determined by the secretary of  
14 administration, shall become the assets and liabilities of the office of the  
15 commissioner of insurance.

16           (b) *Tangible personal property.* On the effective date of this paragraph, all  
17 tangible personal property, including records, of the department of health and family  
18 services primarily related to the mandatory ~~Health Insurance Risk-Sharing Plan~~,  
19 as determined by the secretary of administration, is transferred to the office of the  
20 commissioner of insurance.

21           (c) *Contracts.* All contracts entered into by the department of health and family  
22 services that are in effect on the effective date of this paragraph and that are  
23 primarily related to the mandatory ~~Health Insurance Risk-Sharing Plan~~, as  
24 determined by the secretary of administration, remain in effect and are transferred  
25 to the office of the commissioner of insurance. The office of the commissioner of

1 insurance shall carry out any obligations under such a contract until the contract is  
2 modified or rescinded by the office of the commissioner of insurance to the extent  
3 allowed under the contract.

4 (d) *Pending matters.* Any matter pending with the department of health and  
5 family services on the effective date of this paragraph that is primarily related to the  
6 mandatory Health Insurance Risk-Sharing Plan is transferred to the office of the  
7 commissioner of insurance, and all materials submitted to or actions taken by the  
8 department of health and family services with respect to the pending matter are  
9 considered as having been submitted to or taken by the office of the commissioner  
10 of insurance.

11 (e) *Rules and orders.* All rules promulgated by the department of health and  
12 family services that are in effect on the effective date of this paragraph and that are  
13 primarily related to the mandatory Health Insurance Risk-Sharing Plan remain in  
14 effect until their specified expiration date or until amended or repealed by the office  
15 of the commissioner of insurance. All orders issued by the department of health and  
16 family services that are in effect on the effective date of this paragraph and that are  
17 primarily related to the mandatory Health Insurance Risk-Sharing Plan remain in  
18 effect until their specified expiration date or until modified or rescinded by the office  
19 of the commissioner of insurance.

20 <sup>→ 24 ✓</sup> SECTION 9124. Nonstatutory provisions; ~~insurance~~ <sup>health and family services</sup>

21 (1) GENERAL FUND APPROPRIATIONS. Notwithstanding section 16.42 (1) (e) of the  
22 statutes, in submitting information under section 16.42 of the statutes for purposes  
23 of the 2005-07 biennial budget bill, the ~~office of the commissioner of insurance~~  
24 submit information concerning the appropriation under section 20.1435 (4) (af) of the  
25 statutes, as affected by this act, as though the amount appropriated to the ~~office~~ <sup>435 (4) ✓</sup>

Department of health and family services

*Department*

① under that appropriation for fiscal year 2004-05 were \$9,500,000 more than the  
 2 amount in the schedule and shall submit information concerning the appropriation  
 3 under section 20.145(4) (ah) of the statutes, as affected by this act, as though the  
 4 amount appropriated to the *Department* office under that appropriation for fiscal year 2004-05  
 5 were \$741,800 more than the amount in the schedule.

(2) SELECTION OF PLAN ADMINISTRATOR. The board of governors of the Health  
 7 Insurance Risk-Sharing Plan shall, no later than December 1, 2003, issue a  
 8 request-for-proposals under section 149.15 (3) (e) of the statutes, as created by this  
 9 act, for administration of the Health Insurance Risk-Sharing Plan.

10 **SECTION 9323. Initial applicability; ~~insurance~~.** *health and family services*

(1) HEALTH INSURANCE RISK-SHARING PLAN. With respect to changes in plan  
 12 design, including covered expenses and exclusions, deductibles, copayments,  
 13 coinsurance, and out-of-pocket limits, the treatment of sections 149.14 (3) (intro.)  
 14 and (a) to (r), (4), and (5), 149.146, 149.17, ~~149.175, 149.18, 149.185, 149.19, 149.20, 149.21, 149.22, 149.23, 149.24, 149.25, 149.26, 149.27, 149.28, 149.29, 149.30, 149.31, 149.32, 149.33, 149.34, 149.35, 149.36, 149.37, 149.38, 149.39, 149.40, 149.41, 149.42, 149.43, 149.44, 149.45, 149.46, 149.47, 149.48, 149.49, 149.50, 149.51, 149.52, 149.53, 149.54, 149.55, 149.56, 149.57, 149.58, 149.59, 149.60, 149.61, 149.62, 149.63, 149.64, 149.65, 149.66, 149.67, 149.68, 149.69, 149.70, 149.71, 149.72, 149.73, 149.74, 149.75, 149.76, 149.77, 149.78, 149.79, 149.80, 149.81, 149.82, 149.83, 149.84, 149.85, 149.86, 149.87, 149.88, 149.89, 149.90, 149.91, 149.92, 149.93, 149.94, 149.95, 149.96, 149.97, 149.98, 149.99, 150.00~~ of the statutes first  
 15 applies to the plan year beginning on January 1, 2004.

149.15(3)(b), and

(1)(b) and (2)(a), (am) 4, and 5, and (b) (intro.) and 11

16 **SECTION 9428. Effective dates; insurance.** This act takes effect on the day  
 17 after publication, except as follows:  
 18 (1) HEALTH INSURANCE RISK-SHARING PLAN. The treatment of sections 20.145  
 19 (5) (title), 20.435 (4) (af), (ah), (u), and (v), 25.55 (1), (2), (3), and (4), 71.65 (4), 149.10  
 20 (intro), (2), (2c), (2f), (2j), (2m), (2t), (3), (3c), (3d), (3e), (3g), (3j), (3m), (4), (4c), (4m),  
 21 (4p), (5), (5m), (6), (7), (8), (8b), (8c), (8j), (8m), (8p), (9), (10), and (11), 149.11, 149.115,  
 22 149.12, 149.13 (title), (1), (2), (3), and (4), 149.14 (title), (1), (2), (3) (intro.) and (a) to  
 23 (r), (4), (4c), (4m), (5), (5m), (6), (7), and (8), 149.142, 149.143, 149.144, 149.145,  
 24 149.146, 149.15 (title), (1), (2), (2m), (3) (intro.), (a), (c), (d), (f), and (g), (4), (5), (6),  
 25 and (7), 149.16, 149.165, 149.17, 149.175, 149.18, 149.20, 149.25, 185.981 (4t), 450.10

**SECTION 9428**

1 (2m), 610.41 (1), 601.415 (12), 601.64 (1), (3) (a) and (c), and (4), 613.03 (3) and (4),  
2 614.05 (1), 619.10 (2p) and (2r), 619.13 (2), 619.132, 619.143 (1) (b) 2. am. and (2) (a)  
3 3m., 619.15 (3) (b), (e), and (em) and (4) (c), 631.36 (7) (a) 2., and 632.785 (1) (intro.),  
4 chapter 149 (title), and subchapter I (title) and subchapter II (title) of chapter 619  
5 of the statutes and SECTION 9124 (1x) of this act take effect on the first day of the 3rd  
6 month beginning after publication.

7

(END)

*D-note*

2003-2004 DRAFTING INSERT  
FROM THE  
LEGISLATIVE REFERENCE BUREAU

LRB-2476/P<sup>2</sup>ins  
PJK:kmg:ch

INSERT 4-23 ✓

1           **SECTION 1.** 149.10 (2p) of the statutes is created to read:

2           149.10 (2p) "Drug distributor" means a person licensed by the pharmacy  
3 examining board under s. 450.07 (2). ✓

4           **SECTION 2.** 149.10 (2r) of the statutes is created to read:

5           149.10 (2r) "Drug manufacturer" means a person licensed by the pharmacy  
6 examining board under s. 450.07 (1). ✓

(END OF INSERT 4-23)

INSERT 8-7 ✓

7           **SECTION 3.** 149.13 (4) of the statutes is amended to read:

8           149.13 (4) Notwithstanding subs. (1) to (3), the ~~department~~ board, with the  
9 agreement of the commissioner, may perform various administrative functions  
10 related to the assessment of insurers participating in the cost of administering the  
11 plan.

12 History: 1979 c. 313; 1981 c. 83; 1981 c. 314 s. 146; 1985 a. 29; 1989 a. 187 s. 29; 1991 a. 39, 269; 1997 a. 27 ss. 4834 to 4838; Stats. 1997 s. 149.13; 2001 a. 16.

12           **SECTION 4.** 149.132 of the statutes is created to read:

13           **149.132 Participation of drug manufacturers and distributors.** (1) For  
14 the privilege of doing business in the state, every drug manufacturer and drug  
15 distributor shall share in the operating, administrative, and subsidy expenses of the  
16 plan in the manner provided in ss. 149.143 ✓ and 149.144, ✓ except that the board may  
17 by rule exempt as a class those drug manufacturers and drug distributors whose  
18 share as determined under sub. (2) would be so minimal as not to exceed the ✓ ✓  
19 estimated cost of levying the assessment.

20           (2) The board shall determine the methodology for assessing drug  
21 manufacturers and drug distributors, including each drug manufacturer's or

1 distributor's proportion of participation in the costs of the plan. Assessments shall  
2 be determined annually and shall be based on a drug manufacturer's or distributor's  
3 gross revenues derived from business done in the state in the preceding calendar  
4 year. In determining the assessments under this section, the board shall consider  
5 a drug manufacturer's or distributor's gross revenues in the preceding calendar year  
6 from prescription drugs provided to residents receiving medical assistance, as  
7 determined by the department.

8 (3) The department shall advise the pharmacy examining board of the  
9 assessment amounts that must be levied. The pharmacy examining board shall levy  
10 and collect the assessments and forward the amounts collected to the department for  
11 deposit in the health insurance risk-sharing plan fund.

(END OF INSERT 8-7)

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

LRB-2476/P(dn)  
PJK:kmg:ch

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4

This version of the draft eliminates the transfer of HIRSP from DHFS to OCI. The language related to drug manufacturer and drug distributor assessments (proposed s. 149.132) was modified somewhat. The substantive language changes to the program and the changes to the allocation of responsibilities between DHFS and the board must be reviewed very carefully. I have not received any feedback on those changes in either version of the draft.

There was a question about whether <sup>(I)</sup>senate confirmation is required if the governor appoints board members. See s. 15.07 (1). That statute indicates when senate confirmation is required and includes many exceptions. There is much flexibility in addition to s. 15.07 (1). For example, under current law, the HIRSP board members are specifically appointed by the secretary of health and family services, which does not match any of the options under s. 15.07 (1).

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→ The answer is "no."

