DRAFTER'S NOTE FROM THE LEGISLATIVE REFERENCE BUREAU

February 9, 2004

To Eileen O'Neill:

I contacted Kelly Rosati with respect to a question I had about the amendment to s. 49.45 (2) (b) 2., stats. The amendment requires that a contract that includes provision of prepaid health care benefits require that prepaid payments to the contracting organization be made on an actuarially sound basis that is consistent with specified federal law. The particular federal law specified has several exceptions: my question has to do with whether the exception under 42 USC 1396b (m) (2) (B) applies; according to Ms. Rosati, the exception is unapplicable.

Please let me know if you have questions about or would like changes made to the draft.

Debora A. Kennedy Managing Attorney Phone: (608) 266–0137 E-mail: debora.kennedy@legis.state.wi.us