

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-0715/P1dn
PJK:wlj:rs

April 3, 2003

Tryg:

1. Note that under ch. 185 criteria for membership in a cooperative is determined by the cooperative under the bylaws, so that would apply to a cooperative organized under this bill, also. (See ss. 185.06, 185.07, and 185.11 (2).) I did retain the requirements of having a presence in the geographic area and of paying the membership fee, however. See proposed s. 185.99 (3) (a). Is this okay?
2. I also retained the ability of the defined network plan to establish special enrollment criteria for self-employed individuals. See proposed s. 185.99 (4) (b). Is this okay?
3. A definition for "cooperative" is unnecessary in proposed s. 185.99 because of s. 185.01 (2) in current law and because under proposed s. 185.99 (2) (a) the health benefit purchasing cooperatives are organized "under this chapter."
4. Note that I limited the ability to form a health benefit purchasing cooperative to two years from the effective date. Let me know if you think that is not enough time.
5. Also note that it is possible for all five of the cooperatives to be located very close to one another if the geographic areas are extremely overlapping. For example, if three geographic areas overlap so that there is one area of overlap that is actually part of each area, three cooperatives could be organized right next to each other in that area, with one "assigned" to each of the three geographic areas. (If you can't picture this, I'd be happy to draw a diagram.) Is this okay?
6. I asked Rob Marchant to review the draft from the perspective of compliance with the laws relating to cooperatives. If you have any questions related to cooperatives specifically, Rob is the person to ask.

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