

LPS: PIS: PUF

Inserts

1 (m) *Federal funds; state operations.* All moneys received from the federal
2 government, as authorized by the governor under s. 16.54, for the purposes for which
3 made and received.

4 (s) *Employer assessments received from the state; segregated revenue.* From the
5 appropriate segregated funds, a sum sufficient to pay employer assessments for state
6 employees whose salaries are paid from segregated funds for the operating costs of
7 the Wisconsin Health Care Plan.

8 SECTION 7. 20.515 (1) (s) of the statutes is repealed.

9 SECTION 8. 20.515 (1) (ut) of the statutes is repealed.

10 SECTION 9. 20.515 (2) of the statutes, as affected by 2003 Wisconsin Act 33, is
11 repealed.

12 SECTION 10. 20.928 (1m) of the statutes is repealed.

13 SECTION 11. 40.01 (2) of the statutes is amended to read:

14 40.01 (2) PURPOSE. The public employee trust fund is a public trust and shall
15 be managed, administered, invested and otherwise dealt with solely for the purpose
16 of ensuring the fulfillment at the lowest possible cost of the benefit commitments to
17 participants, as set forth in this chapter, and shall not be used for any other purpose.
18 Revenues collected for and balances in the accounts of a specific benefit plan shall
19 be used only for the purposes of that benefit plan, including amounts allocated under
20 s. 20.515 (1) (um) or (ut) or 40.04 (2), and shall not be used for the purposes of any
21 other benefit plan. Each member of the employee trust funds board shall be a trustee
22 of the fund and the fund shall be administered by the department of employee trust
23 funds. All statutes relating to the fund shall be construed liberally in furtherance
24 of the purposes set forth in this section.

25 SECTION 12. 40.02 (10) of the statutes is amended to read:



3-12
RAC

4-14
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as affected by 1999 Wisconsin Act 96

6-8a contd 2008

1 40.02 (10) "Benefit plan" includes the Wisconsin retirement system,
2 employee-funded reimbursement account plan, deferred compensation plan,
3 OASDHI, group health insurance under s. 40.51, group income continuation
4 insurance, group life insurance, or any other insurance plan established under this
5 chapter, regardless of whether each type of insurance is provided through one or
6 multiple contracts or provides different levels of benefits to different employees.

7 **SECTION 13.** 40.02 (25) (b) (intro.) of the statutes is amended to read:

8 40.02 (25) (b) (intro.) For the purpose of group health insurance coverage under
9 s. 40.51:

10 **SECTION 14.** 40.02 (25) (b) 1. of the statutes is repealed.

11 **SECTION 15.** 40.02 (25) (b) 1m. of the statutes is repealed.

12 **SECTION 16.** 40.02 (25) (b) 2. of the statutes is repealed.

13 **SECTION 17.** 40.02 (25) (b) 2g. of the statutes is repealed.


14 **SECTION 18.** 40.02 (25) (b) 3. of the statutes is amended to read:

15 40.02 (25) (b) 3. The surviving spouse of ~~an employee, or of~~ a retired employee,
16 who is currently covered by health insurance at the time of death of the ~~employee or~~
17 retired employee. The spouse shall have the same right to health insurance coverage
18 under any health care coverage plan under s. 40.51 as the deceased ~~employee or~~
19 retired employee, but without state contribution, under rules promulgated by the
20 secretary.

21 **SECTION 19.** 40.02 (25) (b) 5. of the statutes is repealed.

22 **SECTION 20.** 40.02 (25) (b) 6g. of the statutes is amended to read:

23 40.02 (25) (b) 6g. Any state constitutional officer, member or officer of the
24 legislature, head of a state department or state agency who is appointed by the
25 governor with senate confirmation, or head of a legislative service agency, as defined



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1 in s. 13.90 (1m) (a), who terminates all creditable service on or after January 1, 1992,
2 who is eligible for and has applied for a retirement annuity or a lump sum payment
3 under s. 40.25 (1), who, if eligible, is receiving medicare coverage under both part A
4 and part B of Title XVIII of the federal social security act, 42 USC 1395 to 1395zz,
5 and who has acted under s. 40.51 (10m) to elect group health insurance coverage.

6 SECTION 21. 40.02 (25) (b) 6m. (intro.) of the statutes is amended to read:

7 40.02 (25) (b) 6m. (intro.) Beginning on the date specified by the department,
8 but not earlier than March 20, 1992, and not later than July 1, 1992, any of the
9 following persons who, if eligible, is receiving medicare coverage under both part A
10 and part B of Title XVIII of the federal social security act, 42 USC 1395 to 1395zz,
11 and who has acted under s. 40.51 (16) to elect group health insurance coverage:

12 SECTION 22. 40.02 (25) (b) 8. of the statutes is repealed.

13 SECTION 23. 40.02 (25) (b) 9. of the statutes is repealed.

14 SECTION 24. 40.02 (25) (b) 10. of the statutes is repealed.

15 SECTION 25. 40.02 (25) (b) 11. of the statutes is amended to read:

16 40.02 (25) (b) 11. Beginning on July 1, 1988, any retired public employee, other
17 than a retired employee of the state, who is receiving an annuity under the Wisconsin
18 retirement system, or any dependent of such an employee, as provided in the health
19 insurance contract, who is receiving a continuation of the employee's annuity, and,
20 if eligible, is receiving medicare coverage under both part A and part B of Title XVIII
21 of the federal social security act, 42 USC 1395 to 1395zz, and who has acted under
22 s. 40.51 (10) to elect group health insurance coverage.

23 SECTION 26. 40.02 (26) (intro.) of the statutes is repealed and recreated to read:

24 40.02 (26) (intro.) "Employee" means any person who receives earnings as
25 payment for personal services rendered for the benefit of any employer, including



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1 officers of the employer. An employee is considered to have separated from the
2 service of an employer at the end of the day on which the employee last performed
3 services for the employer, or, if later, the day on which the employee-employer
4 relationship is terminated because of the expiration or termination of leave without
5 pay, sick leave, vacation, or other leave of absence. A person shall not be considered
6 an employee if a person:

as affected by §1999 Wisconsin Act 65

7

SECTION 27. 40.02 (28) of the statutes is repealed and recreated to read:

8 40.02 (28) "Employer" means the state, including each state agency, any
9 county, city, village, town, school district, other governmental unit or
10 instrumentality of 2 or more units of government now existing or hereafter created
11 within the state, any federated public library system established under s. 43.19
12 whose territory lies within a single county with a population of 500,000 or more, a
13 local exposition district created under subch. II of ch. 229, and a family care district
14 created under s. 46.2895, except as provided in s. 40.61 (3). "Employer" does not
15 include a local cultural arts district created under subch. V of ch. 229. Each employer
16 shall be a separate legal jurisdiction for OASDHI purposes.

SECTION 28. 40.02 (37) of the statutes is amended to read:

18 40.02 (37) "Health insurance" means contractual arrangements which may
19 include, but are not limited to, indemnity or service benefits, or prepaid
20 comprehensive health care plans, which will provide full or partial payment of the
21 financial expense incurred by eligible employees under sub. (25) (b) and dependents
22 as the result of injury, illness or preventive medical procedures. The plans may
23 include hospitalization, surgical and medical care, as well as ancillary items or
24 services as determined by the group insurance board. The plans may include the
25 type of coverage normally referred to as "major medical" insurance.



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1 SECTION 29. 40.03 (2) (it) of the statutes is repealed.

2 SECTION 30. 40.03 (6) (j) of the statutes is repealed.

3 SECTION 31. 40.04 (2) (a) of the statutes is amended to read:

4 40.04 (2) (a) An administrative account shall be maintained within the fund
5 from which administrative costs of the department shall be paid, except charges for
6 services performed by the investment board, and costs of medical and vocational
7 evaluations used in determinations of eligibility for benefits under ss. 40.61, 40.63
8 and 40.65 ~~and costs of contracting for insurance data collection and analysis services~~
9 ~~under s. 40.03 (6) (j).~~

10 SECTION 32. 40.04 (2) (e) of the statutes is repealed.

11 SECTION 33. 40.05 (4) (a) of the statutes, as affected by 2003 Wisconsin Act 33,
12 is repealed and recreated to read:

13 40.05 (4) (a) For health insurance coverage under s. 40.51, each eligible
14 employee, as defined in s. 40.02 (25) (b), shall contribute the balance of any required
15 premium amounts after applying any required employer contributions.

16 SECTION 34. 40.05 (4) (ad) of the statutes is repealed.

17 SECTION 35. 40.05 (4) (ag) of the statutes, as affected by 2003 Wisconsin Act 33,
18 is repealed.

19 SECTION 36. 40.05 (4) (ar) of the statutes, as affected by 2003 Wisconsin Act 33,
20 is repealed.

21 SECTION 37. 40.05 (4) (b) of the statutes, as affected by 2003 Wisconsin Act 33,
22 is amended to read:

23 40.05 (4) (b) Except as provided under pars. (bc) and (bp), accumulated unused
24 sick leave under ss. 13.121 (4), 36.30, 230.35 (2), 233.10, and 757.02 (5) and subch.
25 I or V of ch. 111 of any eligible employee shall, at the time of death, upon qualifying



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1 for an immediate annuity or for a lump sum payment under s. 40.25 (1) or upon
2 termination of creditable service and qualifying as an eligible employee under s.
3 40.02 (25) (b) 6. ~~or 10.~~, be converted, at the employee's highest basic pay rate he or
4 she received while employed by the state, to credits for payment of health insurance
5 premiums on behalf of the employee or the employee's surviving insured dependents.
6 Any supplemental compensation that is paid to a state employee who is classified
7 under the state classified civil service as a teacher, teacher supervisor, or education
8 director for the employee's completion of educational courses that have been
9 approved by the employee's employer is considered as part of the employee's basic
10 pay for purposes of this paragraph. The full premium for any eligible employee who
11 is insured at the time of retirement, or for the surviving insured dependents of an
12 eligible employee who is deceased, shall be deducted from the credits until the credits
13 are exhausted and paid from the account under s. 40.04 (10), and then deducted from
14 annuity payments, if the annuity is sufficient. The department shall provide for the
15 direct payment of premiums by the insured to the insurer if the premium to be
16 withheld exceeds the annuity payment. Upon conversion of an employee's unused
17 sick leave to credits under this paragraph or par. (bf), the employee or, if the employee
18 is deceased, the employee's surviving insured dependents may initiate deductions
19 from those credits or may elect to delay initiation of deductions from those credits,
20 but only if the employee or surviving insured dependents are covered by a
21 comparable health insurance plan or policy during the period beginning on the date
22 of the conversion and ending on the date on which the employee or surviving insured
23 dependents later elect to initiate deductions from those credits. If an employee or an
24 employee's surviving insured dependents elect to delay initiation of deductions from
25 those credits, an employee or the employee's surviving insured dependents may only



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1 later elect to initiate deductions from those credits during the annual enrollment
2 period under par. (be). ~~A health insurance plan or policy is considered comparable~~
3 ~~if it provides hospital and medical benefits that are substantially equivalent to the~~
4 ~~standard health insurance plan established under s. 40.52 (1).~~

5 SECTION 38. 40.05 (4) (be) of the statutes is amended to read:

6 40.05 (4) (be) The department shall establish an annual enrollment period
7 during which an employee or, if the employee is deceased, an employee's surviving
8 insured dependents may elect to initiate or delay continuation of deductions from the
9 employee's sick leave credits under par. (b). An employee or surviving insured
10 dependent may elect to continue or delay continuation of such deductions any
11 number of times. If an employee or surviving insured dependent has initiated the
12 deductions but later elects to delay continuation of the deductions, the employee or
13 surviving insured dependent must be covered by a comparable health insurance plan
14 or policy during the period beginning on the date on which the employee or surviving
15 insured dependent delays continuation of the deductions and ending on the date on
16 which the employee or surviving insured dependent later elects to continue the
17 deductions. ~~A health insurance plan or policy is considered comparable if it provides~~
18 ~~hospital and medical benefits that are substantially equivalent to the standard~~
19 ~~health insurance plan established under s. 40.52 (1).~~

20 SECTION 39. 40.05 (4) (c) of the statutes is repealed.

21 SECTION 40. 40.05 (4g) of the statutes, as affected by 2003 Wisconsin Acts 33
22 and 69^{keep} is repealed.

23 SECTION 41. 40.22 (4) of the statutes is amended to read:

24 40.22 (4) For purposes of s. 40.02 (25), a person who is employed by a state
25 agency shall be deemed to have become a state employee on the date the person



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6-8a cont'd

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1 becomes a participating state employee. ~~No participating employee may be included~~
2 under s. 40.52 (3).

3 **SECTION 42.** 40.51 of the statutes, as affected by 2003 Wisconsin Act 33, is
4 repealed and recreated to read:

5 **40.51 Health care coverage.** (1) The group insurance board shall offer to
6 all eligible employees, as defined in s. 40.02 (25) (b), health insurance coverage under
7 plans determined by the group insurance board.

8 (2) The procedures and provisions pertaining to enrollment, premium
9 transmitted, and coverage of eligible employees for health care benefits under sub.
10 (1) shall be established by contract or rule.

11 **SECTION 43.** 40.52 of the statutes is repealed.

12 **SECTION 44.** Subchapter X of chapter 40 [precedes 40.98] of the statutes, as
13 affected by 2003 Wisconsin Act 33, is repealed.

end of 6-8a

14 **SECTION 45.** 49.473 (2) (c) of the statutes, as affected by 2003 Wisconsin Act 33,
15 is amended to read:

16 49.473 (2) (c) The woman is not covered under the Wisconsin Health Care Plan
17 and is not eligible for any other health care coverage that qualifies as creditable
18 coverage in 42 USC 300gg (c), excluding the coverage specified in 42 USC 300gg (c)
19 (1) (F).

20 **SECTION 46.** 49.474 of the statutes is created to read:

21 **49.474 Eligibility for Wisconsin Health Care Plan.** Notwithstanding ss.
22 49.46, 49.465, 49.47, and 49.472, if a waiver under 2003 Wisconsin Act (this act),
23 section 130 (2) (a) 2. is granted and in effect, no person who is covered under the
24 Wisconsin Health Care Plan under s. 634.10 (2) (a) is eligible for medical assistance.

25 **SECTION 47.** 49.665 (4) (d) of the statutes is created to read:

Insert 49-6 182

1 631.90, 631.93 (2), 632.746 (10) (a) 2. and (b) 2., 632.747 (3), 632.85, 632.853, 632.855,
2 632.87 (4) and (5), ~~632.895 (9) to (14)~~, 632.896, and 767.25 (4m) (d).

3 **SECTION 54.** 66.0137 (4m) (b) of the statutes is amended to read:

4 66.0137 (4m) (b) A political subdivision and one or more other political
5 subdivisions, that together have at least 100 employees, may jointly provide health
6 care benefits not provided under the Wisconsin Health Care Plan to their officers and
7 employees on a self insured basis.

8 **SECTION 55.** 66.0137 (5) of the statutes is amended to read:

9 66.0137 (5) HOSPITAL, ACCIDENT, AND LIFE INSURANCE. ~~The~~ Subject to s. 634.40,
10 the state or a local governmental unit may provide for the payment of premiums for
11 ~~hospital, surgical and other~~ health and accident insurance and life insurance for
12 employees and officers and their spouses and dependent children. A local
13 governmental unit may also provide for the payment of premiums for hospital and
14 surgical care for its retired employees. ~~In addition, a local governmental unit may,~~
15 ~~by ordinance or resolution, elect to offer to all of its employees a health care coverage~~
16 ~~plan through a program offered by the group insurance board under ch. 40. A local~~
17 ~~governmental unit that elects to participate under s. 40.51 (7) is subject to the~~
18 ~~applicable sections of ch. 40 instead of this subsection.~~

19 **SECTION 56.** 109.075 (9) of the statutes is created to read:

20 109.075 (9) This section does not apply to an employer that ceases providing
21 health care benefits to its employees because the employees are covered under the
22 Wisconsin Health Care Plan.

23 **SECTION 57.** 111.70 (1) (dm) of the statutes is amended to read:

24 111.70 (1) (dm) "Economic issue" means salaries, overtime pay, sick leave,
25 payments in lieu of sick leave usage, vacations, clothing allowances in excess of the

49-6 rac



Ins 49-6 cont'd 282

1 actual cost of clothing, length-of-service credit, continuing education credit, shift
2 premium pay, longevity pay, extra duty pay, performance bonuses, health insurance
3 coverage of benefits not provided under ^{ch. 260} ~~the Wisconsin Health Care Plan~~, life
4 insurance, dental insurance, disability insurance, vision insurance, long-term care
5 insurance, worker's compensation and unemployment insurance, social security
6 benefits, vacation pay, holiday pay, lead worker pay, temporary assignment pay,
7 retirement contributions, supplemental retirement benefits, severance or other
8 separation pay, hazardous duty pay, certification or license payment, limitations on
9 layoffs that create a new or increased financial liability on the employer and
10 contracting or subcontracting of work that would otherwise be performed by
11 municipal employees in the collective bargaining unit with which there is a labor
12 dispute.

13 SECTION 58. 111.91 (2) (n) of the statutes is repealed. ✓

14 SECTION 59. 111.91 (2) (o) of the statutes is repealed. ✓

15 SECTION 60. 111.91 (2) (p) of the statutes is repealed. ✓

16 SECTION 61. 111.91 (2) (pm) of the statutes is created to read:

17 111.91 (2) (pm) Health care coverage of employees under ~~the Wisconsin Health~~

18 ~~Care Plan under ch. 634.~~ *ch. 260*

19 SECTION 62. 111.91 (2) (q) of the statutes is repealed. ✓

20 SECTION 63. 111.91 (2) (r) of the statutes is repealed. ✓

21 SECTION 64. 120.12 (24) of the statutes is amended to read:

22 120.12 (24) HEALTH CARE BENEFITS. Prior to the selection for school district
23 professional employees, as defined in s. 111.70 (1) (ne), of any provider of group
24 health care benefits provider for school district professional employees, as defined

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2005-2006 DRAFTING INSERT
FROM THE
LEGISLATIVE REFERENCE BUREAU

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PJK:.....

INSERT 6-8 b

1 SECTION 1. 49.665 (5) (ag) of the statutes, as affected by 2005 Wisconsin Act 25,
2 is amended to read:

3 49.665 (5) (ag) Except as provided in pars. (am), (b), and (bm), a family, a child
4 who does not reside with his or her parent, or the mother of an unborn child, who
5 receives health care coverage under this section shall pay a percentage of the cost of
6 that coverage in accordance with a schedule established by the department by rule.
7 The department may not establish or implement a schedule that requires a
8 contribution, including the amounts required under par. (am), of more than 5% of the
9 child's income of the family, child, or applicable persons specified in sub. (4) (ap) 1.
10 towards the cost of the health care coverage provided under this section.

History: 1997 a. 27, 237; 1999 a. 9; 2001 a. 16, 109; 2003 a. 33; 2005 a. 25.

11 SECTION 2. 49.665 (5) (c) of the statutes, as affected by 2005 Wisconsin Act 25,
12 is repealed.

****NOTE: The two provisions above address your request related to BadgerCare.
Is this what you want? ✓

(END OF INSERT 6-8)

(Insert 49-6 is after insert 63-7)

INSERT 49-21

13 SECTION 3. 149.12 (2) (g) 7. of the statutes is created to read:
14 149.12 (2) (g) 7. Health care coverage under the health insurance purchasing
15 arrangement under ch. 260. ✓

(END OF INSERT 49-21)

INSERT 51-22

16 (b) The individual maintains a substantial presence in this state, as defined by
17 the corporation. In defining what constitutes a substantial presence in this state, the

Ins 51-22 contd

1 corporation shall consider such factors as the amount of time per year that an
2 individual is actually present in the state and the amount of taxes that an individual
3 pays in this state, except that if the individual attends school outside of this state and
4 is under 23 years of age, the factors shall include the amount of time that the
5 individual's parent or guardian is actually present in the state and the amount of
6 taxes that the individual's parent or guardian pays in this state, and if the individual
7 is in active service with the U.S. armed forces outside of this state, the factors shall
8 include the amount of time that the individual's parent, guardian, or spouse is
9 actually present in the state and the amount of taxes that the individual's parent,
10 guardian, or spouse pays in this state. ✓

(END OF INSERT 51-22)

INSERT 52-2

11 *41* (e) The individual is not an employee who receives health care coverage under
12 a collective bargaining agreement and whose social security wages are excluded by
13 his or her employer from the amount of social security wages subject to assessment
14 under s. 260.50 (3) (c). ✓

(END OF INSERT 52-2)

INSERT 55-3

15 *not*, except for an eligible resident who notifies the corporation that, for religious
16 reasons, he or she does not wish to have an account ✓

(END OF INSERT 55-3)

INSERT 57-2

Ins 57-2

1 (c) The corporation shall ensure that each eligible resident in each county in
2 this state has a choice of at least 2 health care plans offered by at least 2 different
3 insurers. ✓

(END OF INSERT 57-2)

INSERT 57-15

4 *note* amounts that eligible residents must pay to enroll in Tier 2 health care plans
5 and Tier 3 health care plans. The out-of-pocket monthly premium amounts

(END OF INSERT 57-15)

INSERT 59-20 *or 2*

6 1. That the assessment is insufficient to keep revenues and expenses in balance
7 for one or more specified years. ✓

8 2. What increase in the assessment would be required to maintain the current
9 benefit level and bring revenues and expenses into balance for the year or years
10 specified in subd. 1. ✓

11 3. Alternative reductions in the amount deposited into health savings accounts
12 under s. 260.10 (10) (b) 2. or in the benefits under this section that would be
13 appropriate to avoid an increase in the assessment and bring revenues and
14 expenses into balance for the year or years specified in subd. 1. ✓

15 4. The assessment increase, health savings account deposit reductions, or
16 benefit reductions, or the combination of increase and reductions, that the
17 corporation recommends to bring revenues and expenses into balance for the year or
18 years specified in subd. 1. ✓

19 5. The health savings account deposit reductions or benefit reductions that the
20 corporation prefers to bring revenues and expenses into balance for the year or years

Ins. 59-22 cont'd

1 specified in subd. 1. if legislation that alters the assessment formula, health savings
2 account deposit under s. 260.10 (10) (b) 2., or benefits provided under this section is
3 not enacted before the beginning of the first year specified in subd. 1.

4 (b) If legislation is not enacted before the beginning of the first year specified
5 in subd. 1. to bring revenues and expenses into balance for the year or years specified
6 in par. (a) 1., the corporation shall implement the health savings account deposit
7 reductions or benefit reductions specified in par. (a) 5.

(END OF INSERT 59-20) *r2*

INSERT 60-4

not
8 to the selected Tier 2 or Tier 3 health care plan, as a condition of enrollment,
9 the out-of-pocket monthly premium determined by the corporation under s. 260.15
10 (2) (b)

(END OF INSERT 60-4)

INSERT 63-7

not
11 The corporation shall vote on each recommendation submitted to it by the
12 committee as to whether the recommendation should be implemented.

(END OF INSERT 63-7)

INS LMK (pg 1 of 2)

paying all or part of any employee cost sharing under s. 634.25 (1) or from providing for the employer's employees any health care benefits not provided under the plan.

SECTION 125. 635.10 of the statutes is repealed.

SECTION 126. 635.12 of the statutes is amended to read:

635.12 Annual publication of rates. Every small employer insurer shall annually publish the small employer insurer's current new business premium rates. The rates shall be published in the manner and according to categories required by rule under s. 635.05 (7). ~~New business premium rates for coverage under the health care coverage program under subch. X of ch. 40 shall be published as required under s. 40.98 (2) (d).~~

SECTION 127. 753.075 (3) (b) of the statutes is amended to read:

753.075 (3) (b) Permanent reserve judges shall receive compensation equal to the compensation for the 6-month period of a judge of the court to which they are assigned. This compensation is not subject to s. 40.26 but the combined amount of this compensation and any other judicial compensation together with retirement annuities under the Wisconsin retirement system, the Milwaukee County retirement fund or other state, county, municipal or other Wisconsin governmental retirement funds received by him or her during any one calendar month shall not exceed one-twelfth of the yearly compensation of a circuit judge. Permanent reserve judges shall receive ~~health insurance calculated under ss. 40.05 (4) and 40.52 (1) or (2) and~~ vacation benefits calculated under s. 230.35 (1). Compensation for permanent reserve judges shall be paid from the appropriation under s. 20.625 (1) (b).

↙ create auto ref X (p4insRC) ^{used in}

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SECTION 128. 1999 Wisconsin Act 9, section 9415 (1g) is amended to read:



INS LMK (pg 2 of 2)

INS LMK CONT'D

[1999 Wisconsin Act 9] Section 9415 (1g) PRIVATE EMPLOYER HEALTH CARE COVERAGE. The repeal of sections 13.94 (1) (p), 15.07 (1) (b) 22., 15.165 (5) and 20.515 (2) (title), (a), (b) and (g) and subchapter X of chapter 40 of the statutes and the amendment of section 40.02 (26) (intro.) (by SECTION 930wm) and (28) (by SECTION 931e) of the statutes take takes effect on January 1, 2010.

SECTION 129. 1999 Wisconsin Act 65, section 36 (2) is repealed.

end of insert

SECTION 130. Nonstatutory provisions.

(1) TERMS OF INITIAL MEMBERS OF HEALTH PLAN BOARD. Notwithstanding the length of terms specified for the members of the Wisconsin health plan board under section 15.735 (1) (c) of the statutes, as created by this act, the initial members of the Wisconsin health plan board shall be appointed for the following terms:

(a) Two members specified under section 15.735 (1) (a) 1. of the statutes, as created by this act, and one member specified under section 15.735 (1) (a) 2. of the statutes, as created by this act, for terms expiring on May 1, 2006.

(b) One member specified under section 15.735 (1) (a) 1. of the statutes, as created by this act, and 2 members specified under section 15.735 (1) (a) 2. of the statutes, as created by this act, for terms expiring on May 1, 2007.

(c) Two members specified under section 15.735 (1) (a) 1. of the statutes, as created by this act, and 2 members specified under section 15.735 (1) (a) 2. of the statutes, as created by this act, for terms expiring on May 1, 2008.

(2) WAIVERS. The office of the commissioner of insurance shall, no later than September 1, 2004, do all of the following:

(a) Request waivers from the secretary of the federal department of health and human services for all of the following purposes:

2005-2006 DRAFTING INSERT
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-2922/P4insRC
RAC:.....

Insert 72-12:

(0) ² STATE EMPLOYEE HEALTH CARE COVERAGE PROGRAM. The treatment of sections 20.515 (1) (s) and (ut) and (2), 20.928 (1m), 40.01 (2), 40.02 (10), (25) (b) (intro.), 1., 1m., 2., 2g., 3., 5., 6g., 6m. (intro.), 8., 9., 10., 11., (26) (intro.), (28), and (37), 40.03 (2) (it) and (6) (j), 40.04 (2) (a) and (e), 40.05 (4) (a), (ad), (ag), (ar), (b), (be), and (c), and (4g), 40.22 (4), 40.51, 40.52, Subchapter X of chapter 40, 111.70 (1) (dm) and 111.91 (2) (n), (o), (p), (pm), (q), and (r) of the statutes takes effect on December 31, 2008.

and ^{CS} SECTIONS 128 ← use auto ref X (from INSLMK)
and 129 of this act
↑ use auto ref X (from INSLMK)

INSERT
66-24 JK

NOTE: The next four items are related. Their purpose is to add a new provision that, consistent with Sec.260.40 (2)(a), explicitly authorizes a reduction in the employer assessment if the employer has instituted a workplace wellness program that lowers total health care costs. It's not clear to me that the language of Sec.260.40 (2)(a) concerning incentives for employers is, by itself, sufficient to allow such a reduction in the employer assessment, i.e., such a departure from the "standard" employer assessment schedule. To make absolutely sure that such a departure is OK, I believe the new provision may be needed.

- ✓ 49. Page 66, lines 5. After "(c)", insert: "and (d)".
- ✓ 50. Page 66, line 16. Delete "(c)" and substitute: "(d)".
- ✓ 51. Page 66, after line 19. Insert the following new paragraph (c):

91 #6d
✓
(c) The corporation may reduce the amount paid by an employer under par. (a) if the corporation determines that the employer has successfully instituted a work-based program certified by the corporation under s.260.40(2)(a) to be an evidence-based program that has been shown to improve the health status of employees and their families. Any reduction in the amount paid by the employer shall be no greater than the amount that the corporation has determined, based on the evidence, to be equal to the total average savings in health care cost that the scientific evidence indicates will result from implementation ~~by such an employer~~ of such a program. *by the employer*

- ✓ 52. Page 66, line 20. Delete "(c)" and substitute "(d)".

NOTE: The next two items are related. See Item #54 for the explanation.

- ✓ 53. Page 66, line 22: After "may", insert: "for the duration of the agreement"
- ✓ 54. Page 66, line 23. After "(a)", insert: "and (b)". The intent here is to ensure that, if a collective bargaining agreement that provides health care coverage to employees is in effect on January 1, 2009, and has not yet expired, then *both* of the two assessments imposed by Sec. 260.50(3)—that is, the employer assessment under par. (a) *and* the employee assessment under par. (b)—would not apply with respect to the Social Security wages of employees who receive health care coverage under the agreement. As now drafted, it seems to me that this exemption applies only to the employer assessment. I'm not sure that the proposed language change accomplishes the intent of applying the exemption to *both* the employer *and* the employee assessment. If not, please do what's necessary to accomplish the intent.
- ✓ 55. Two other statutory changes should be made in other health-related chapters of the statutes in order to make them consistent with this new chapter:

INS PURPLE (3-3)

repealed.

Section #. 13.94 (1) (p) of the statutes is ~~amended to read~~

~~13.94 (1) (p) No later than January 1, 2008, prepare a program evaluation audit of the private employer health care coverage program established under subch. X of ch. 40. The legislative audit bureau shall file a copy of the audit report under this paragraph with the distributees specified in par. (b).~~

~~NOTE: Par. (p) is repealed eff. 1-1-10 by 1999 Wis. Act 9.~~

~~History: 1971 c. 270 s. 104; 1971 c. 307; 1973 c. 334; 1975 c. 39, 199, 224, 421; 1977 c. 26, 29; 1977 c. 196 s. 131; 1977 c. 418; 1979 c. 34, 314, 324; 1981 c. 20, 335; 1983 a. 27, 36, 96, 381; 1985 a. 29, 57, 120, 176; 1987 a. 27, 119, 186, 320, 328, 354, 399, 403; 1989 a. 31, 122; 1991 a. 39, 269, 316; 1993 a. 16, 27, 107, 263, 399, 491; 1995 a. 27 ss. 43g to 47n, 9116 (5); 1995 a. 56, 216, 225, 274, 289; 1997 a. 27, 252; 1999 a. 9, 65, 105, 167, 197; 2001 a. 16, 105; 2003 a. 33, 111; 2005 a. 25, 74.~~

INS BLUE (3/6)

✓

repealed.

Section #. 15.165 (5) ~~(a) 4~~ of the statutes is amended to read:

15.165 (5) (a) 4. Two members who are employees eligible to receive health care coverage under subch. X of ch. 40 and whose employer employs not more than 50 employees.

History: 1973 c. 151, 329; 1977 c. 29, 418; 1979 c. 221; 1981 c. 96; 1983 a. 192 s. 303 (7); 1983 a. 290; 1985 a. 230; 1987 a. 403; 1989 a. 31; 1993 a. 399; 1999 a. 9; 2001 a. 103; 2003 a. 33 ss. 102, 9160; 2005 a. 66.

INS RED 2 (68-9)

Section #. 753.075 (3) (b) of the statutes is amended to read:

753.075 (3) (b) Permanent reserve judges shall receive compensation equal to the compensation for the 6-month period of a judge of the court to which they are assigned. This compensation is not subject to s. 40.26 but the combined amount of this compensation and any other judicial compensation together with retirement annuities under the Wisconsin retirement system, the Milwaukee County retirement fund or other state, county, municipal or other Wisconsin governmental retirement funds received by him or her during any one calendar month shall not exceed one-twelfth of the yearly compensation of a circuit judge. Permanent reserve judges shall receive ~~health insurance~~ calculated under ss. ~~40.05 (4) and 40.52 (1) or (2) and~~ vacation benefits calculated under s. 230.35 (1). Compensation for permanent reserve judges shall be paid from the appropriation under s. 20.625 (1) (b).

History: 1971 c. 125, 211; 1973 c. 90; 1975 c. 224; 1977 c. 29; 1977 c. 187 s. 92; 1977 c. 418 ss. 749g, 749h; 1977 c. 449; Stats. 1977 s. 753.075; 1979 c. 34 s. 2102 (8) (a); 1979 c. 38; 1981 c. 20, 96; 1981 c. 187 s. 10; 1983 a. 27; 1983 a. 255 s. 6; 1987 a. 27, 143; 1989 a. 31; 1991 a. 39, 269; 1993 a. 16 ss. 3567, 3893; 1993 a. 402; 1997 a. 237.

✓+

INS RED 1 (68-9)

Section #. 635.12 of the statutes is amended to read:

635.12 Annual publication of rates. Every small employer insurer shall annually publish the small employer insurer's current new business premium rates. The rates shall be published in the manner and according to categories required by rule under s. 635.05 (7). ~~New business premium rates for coverage under the health care coverage program under subch. X of ch. 40 shall be published as required under s. 40.98 (2) (d).~~

History: 2001 a. 16.

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-2922/P4dn
PJK/JK/MES:lk&wj:rs

e RAC

(date)

As we discussed by phone, I have not treated GAMP in this draft. To review the relevant provisions, however, see ss. 20.435 (4) (bt) and (h) and 49.45 (6y) and (6z) and subch. II of ch. 49. These provisions are all interconnected and related to GAMP. See especially s. 49.025. Note the definition in s. 49.01 (2g) and the use of the term in s. 49.027 (3).

I changed "established" to "certified" in proposed s. 260.10 (1) (b) 4., as you requested, but there is no mention of "certifying" in s. 260.40 (2) (a). Do you want to require the corporation to certify a healthy lifestyle protocol recommended by the committee under s. 260.40 (2) (a)?

As you requested, I added a provision about voting on committee recommendations in s. 260.40 (1) (c). Is this what you want? For s. 260.40 (1) (d), however, the corporation must include all of the committee's recommendations in the corporation's annual report without a vote, correct?

What happens if someone selects a Tier 2 or Tier 3 plan but cannot or does not pay the additional premium, initially or at renewal? Are they automatically assigned to a Tier 1 plan? Do you want to specify this, perhaps in s. 260.25 (1) (b)?

You are correct, there are no appropriations created in the draft for the family portion of MA or BadgerCare. Those appropriations are to be created in the proposed legislation submitted by DHFS and the fiscal bureau under the nonstatutory provisions of the bill draft.

Your understanding of the release of the funds being conditioned on the corporation's actions is correct. It is intended to be a continuous back-and-forth process, since the corporation cannot fulfill all of its responsibilities at once.

As we discussed, there are numerous provisions in current law that may become obsolete under the program under this draft, but keeping them is not a problem. If they become obsolete due to lack of participation or a need for the program, they can be removed from the statutes at a later time. Also, since the program under this draft will not necessarily cover every type of health care service, other provisions under which health care coverage is provided may still be relevant and needed. There may be

persons who are not eligible for the program under the draft, and still others who may need coverage before they satisfy the residency requirement. ✓ However:

1. See s. 109.075 (2) ✓ and (6) ✓. Do you want to add cessation of coverage due to coverage of employees under the program under this draft as an exception under sub. (6) ✓?

2. Do you agree that an exception needs to be made for the program under this draft in s. 632.755 (1g) (a) and (b)? ✓

I assumed, when reviewing the statutes for conflicts, that all of the health insurance policies under the program under this draft were individual policies and that any provisions in current law related to group or blanket policies would not apply. ✓ Correct? ✓

→ After you have finalized the text, it will need to be reviewed for any delayed effective dates that will have to be specified.

Pamela J. Kahler
Senior Legislative Attorney
Phone: (608) 266-2682
E-mail: pam.kahler@legis.state.wi.us



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

LRB-3004/P3dn
RAC:king:jf

November 7, 2003

This version of the draft includes statutory changes eliminating the state's health insurance program for state employees and for local government employers and their employees. Please note that I did retain authority for the state to offer its health insurance program to retirees under the Wisconsin Retirement System and to state employees who have terminated state employment and who are able to use their unused accumulated sick leave credits and supplemental health insurance premium credits for the purchase of health insurance. Please advise if this is not consistent with your intent. ~~Also, at this juncture, I have not provided any date on which the state is to cease offering health insurance to its employees and I have not provided any transition process. Please advise.~~

Rick A. Champagne
Senior Legislative Attorney
Phone: (608) 266-9930
E-mail: rick.champagne@legis.state.wi.us

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-2922/P4dn
PJK/RAC:lk&wj:rs

February 15, 2006

As we discussed by phone, I have not treated GAMP in this draft. To review the relevant provisions, however, see ss. 20.435 (4) (bt) and (h) and 49.45 (6y) and (6z) and subch. II of ch. 49. These provisions are all interconnected and related to GAMP. See especially s. 49.025. Note the definition in s. 49.01 (2g) and the use of the term in s. 49.027 (3).

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As you requested, I added a provision about voting on committee recommendations in s. 260.40 (1) (c). Is this what you want? For s. 260.40 (1) (d), however, the corporation must include all of the committee's recommendations in the corporation's annual report without a vote, correct?

What happens if someone selects a Tier 2 or Tier 3 plan but cannot or does not pay the additional premium, initially or at renewal? Are they automatically assigned to a Tier 1 plan? Do you want to specify this, perhaps in s. 260.25 (1) (b)?

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1. See s. 109.075 (2) and (6). Do you want to add cessation of coverage due to coverage of employees under the program under this draft as an exception under sub. (6)?
2. Do you agree that an exception needs to be made for the program under this draft in s. 632.755 (1g) (a) and (b)?

I assumed, when reviewing the statutes for conflicts, that all of the health insurance policies under the program under this draft were individual policies and that any provisions in current law related to group or blanket policies would not apply. Correct?

After you have finalized the text, it will need to be reviewed for any delayed effective dates that have to be specified.

Pamela J. Kahler
Senior Legislative Attorney
Phone: (608) 266-2682
E-mail: pam.kahler@legis.state.wi.us

This version of the draft includes statutory changes eliminating the state's health insurance program for state employees and for local government employers and their employees. Please note that I did retain authority for the state to offer its health insurance program to retirees under the Wisconsin Retirement System and to state employees who have terminated state employment and who are able to use their unused accumulated sick leave credits and supplemental health insurance premium credits for the purchase of health insurance. Please advise if this is not consistent with your intent.

Rick A. Champagne
Senior Legislative Attorney
Phone: (608) 266-9930
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TO: Pam Kahler, Joe Kreye
Marc Showers, Rick Champagne

FROM: David Riemer

DATE: 2/21/06

RE: LRB-2922/P4

The following sections only should be retained (in some cases, with modification): Sections 2, 10, 12, 13, 56, 57, 225, 232, and 233.

All others should, I believe, be deleted. These deleted sections deal largely with changes in the tax laws.

Please call with questions.

1 ✓ **SECTION 12.** 25.17 (1) (gd) of the statutes is created to read:

2 25.17 **(1)** (gd) Health insurance purchasing trust fund (s. 25.775);

3 ✓ **SECTION 13.** 25.775 of the statutes is created to read:

4 **25.775 Health insurance purchasing trust fund.** There is established a
5 separate, nonlapsible trust fund designated as the health insurance purchasing
6 trust fund, consisting of all moneys ~~collected under s. 260.50.~~ *provided by law.*

7 **SECTION 14.** 25.835 (1) (em) of the statutes is created to read:

8 25.835 **(1)** (em) *State aid; personal property.* Beginning in 2009, a sum
9 sufficient to make the state aid payments under s. 79.096.

10 **SECTION 15.** 26.03 (1m) (b) (intro.) of the statutes is amended to read:

11 26.03 **(1m)** (b) (intro.) Paragraph (a) 1. does not apply to a person harvesting
12 raw forest products on public lands, as defined in s. 70.13 (7) that are owned by the
13 United States, this state, or any political subdivision of this state, to a person
14 harvesting raw forest products for fuel wood for his or her home consumption, to a
15 person harvesting for the purpose of clearing the land for agricultural use or to a
16 person harvesting from the person's own land, any of the following:

17 **SECTION 16.** 33.01 (9) (a) of the statutes is amended to read:

18 33.01 **(9)** (a) For the purpose of receiving notice under this chapter, a person
19 whose name appears as an owner of real property on the tax roll under s. 70.65 (2)
20 (a) 1. that was delivered under s. 74.03 on or before the 3rd Monday in December of
21 the previous year.

22 **SECTION 17.** 33.01 (9) (am) 1. of the statutes is amended to read:

23 33.01 **(9)** (am) 1. A person whose name appears as an owner of real property
24 on the tax roll under s. 70.65 (2) (a) 1. that was delivered under s. 74.03 on or before
25 the 3rd Monday in December of the previous year.

1 individual is actually present in the state and the amount of taxes that an individual
2 pays in this state, except that if the individual attends school outside of this state and
3 is under 23 years of age, the factors shall include the amount of time that the
4 individual's parent or guardian is actually present in the state and the amount of
5 taxes that the individual's parent or guardian pays in this state, and if the individual
6 is in active service with the U.S. armed forces outside of this state, the factors shall
7 include the amount of time that the individual's parent, guardian, or spouse is
8 actually present in the state and the amount of taxes that the individual's parent,
9 guardian, or spouse pays in this state.

10 (c) The individual is under 65 years of age.

11 (d) The individual is not eligible for health care coverage from the federal
12 government, is not an inmate of a penal facility, as defined in s. 19.32 (1e), and is not
13 placed or confined in, or committed to, an institution for the mentally ill or
14 developmentally disabled.

15 (e) The individual is not an employee who receives health care coverage under
16 a collective bargaining agreement and whose social security wages are excluded by
17 his or her employer from the amount of social security wages subject to assessment
18 under s. 260.50 (3) (c).

19 (f) Unless a waiver is requested under s. 260.60 and granted and in effect, the
20 individual is not eligible for medical assistance under subch. IV of ch. 49 or for health
21 care coverage under the Badger Care health care program under s. 49.665.

22 **260.05 Private Health Insurance Purchasing Corporation of**
23 **Wisconsin. (1) INCORPORATION.** The secretary of administration shall do all of the
24 following:

*that was in effect, on January 1, 2009,
but only for
the duration
of the
agreement.*

1 1. Use generally accepted procedures, which shall be in writing and open to
2 public inspection, for soliciting bids or proposals and for awarding contracts to the
3 lowest-bidding, qualified person or to the most qualified person submitting a
4 proposal.

5 2. Make open to public inspection all of its requests for bids or proposals, all of
6 its analyses of bids or proposals received, and all of its final decisions on bids or
7 proposals received.

8 (b) The corporation shall use generally accepted hiring practices, which shall
9 be in writing and open to public inspection, for hiring any staff.

10 **(4) AUDITS.** At least once every 2 years, the legislative audit bureau shall
11 conduct a financial audit of the corporation and a performance evaluation audit of
12 the health insurance purchasing arrangement under this chapter that includes an
13 audit of the corporation's policies and management practices. The legislative audit
14 bureau shall distribute a copy of each audit report under this subsection to the
15 legislature under s. 13.172 (2) and to the governor. The corporation shall reimburse
16 the legislative audit bureau for the cost of the audits and reports required under this
17 subsection.

18 **260.10 Health insurance purchasing accounts. (1) ESTABLISHMENT AND**
19 **FUNDING.** (a) Beginning in January 2008, the corporation shall establish a private
20 health insurance purchasing account for each eligible resident, except for an eligible
21 resident who notifies the corporation that, for religious reasons, he or she does not
22 wish to have an account. Beginning in 2009, the corporation annually shall credit
23 to each account ⁹ the dollar amount that is the full premium, as determined by the
24 corporation under s. 260.15 (2) (b), for ^{each} ~~a~~ Tier 1 health care plan in the county in which
25 the eligible resident resides and that has been actuarially adjusted for the eligible

1 determines provide high quality care at a low risk-adjusted cost, assign to "Tier 2"
2 health care plans that it determines provide care at a higher risk-adjusted cost, and
3 assign to "Tier 3" health care plans that it determines provide care at the highest
4 risk-adjusted cost.

5 (b) The corporation shall determine the out-of-pocket monthly premium
6 amounts that eligible residents must pay to enroll in Tier 2 health care plans and Tier
7 3 health care plans. The out-of-pocket monthly premium amounts shall be based
8 on the actual differences in risk-adjusted cost between Tier 1 and Tier 2 health care
9 plans, and between Tier 1 and Tier 3 health care plans.

10 (3) PLAN SELECTION. Beginning in 2008, the corporation shall offer an annual
11 open enrollment period during which each eligible resident may select a health care
12 plan from among those offered. Coverage under the health care plan that an eligible
13 resident selects during an annual open enrollment period shall be effective on the
14 following January 1. An eligible resident who does not select a health care plan will
15 be randomly assigned to a Tier 1 health care plan.

16 **260.20 Benefits. (1) GENERALLY.** Coverage under this chapter shall begin on
17 January 1, 2009, and shall include medical and hospital care coverage, prescription
18 drug coverage, and limited dental care coverage,

19 (2) BENEFITS WITHOUT CERTAIN COST SHARING. Deductibles, coinsurance, and
20 copayments shall not apply to coverage of any of the following health care services,
21 as defined by the corporation:

- 22 (a) Emergency care.
- 23 (b) Prenatal care for pregnant women.
- 24 (c) Well-baby care.
- 25 (d) Annual medical examinations for children up to 18 years of age.

or who
enroll
in a
Tier 2
or
Tier 3
plan
but
fail
to
pay the
additional
out-of-
pocket
amount
required
under
S. 260.25(1)(b)
as defined
by the
corporation.

- 1 (e) Medically indicated immunizations for children up to 18 years of age.
- 2 (f) Annual gynecological examinations for older girls and women.
- 3 (g) Medically indicated Papanicolaou tests and mammograms.
- 4 (h) Annual medical examinations for older men.
- 5 (i) Medically indicated colonoscopies.
- 6 (j) Limited dental care, as determined by the corporation under sub. (4).
- 7 (k) Other preventive services or procedures, as determined by the corporation,
- 8 for which there is scientific evidence that exemption from cost sharing is likely to
- 9 reduce health care costs or avoid health risks.

10 (3) PHARMACY BENEFIT. (a) Except as provided in par. (b), the corporation shall
 11 assume the risk for, and pay for, prescription drugs provided to eligible residents.
 12 For this purpose, the corporation shall retain the portion of the amount credited
 13 under s. 260.10 (1) (a) that is actuarially allocated for prescription drug coverage.

14 (b) If the corporation determines that the method of providing prescription
 15 drug coverage under par. (a) is not cost-effective, the corporation may require the
 16 health care plans to provide prescription drug coverage to eligible residents and shall
 17 pay the portion of the amount credited under s. 260.10 (1) (a) that is actuarially
 18 allocated for prescription drug coverage to the eligible residents' health care plans.

19 (4) DENTAL BENEFIT. Every health care plan shall provide coverage of dental
 20 examinations and the application of coatings and sealants, as determined by the
 21 corporation, for eligible residents who are at least 2 years of age but not more than
 22 16 years of age.

23 (5) BENEFIT REDUCTION. (a) If the corporation determines, based on information
 24 and recommendations received from its actuaries, that the ~~assessment~~ ^{health insurance purchasing trust fund created} under s.
 25 ~~260.50~~ ^{25,775} will not ~~generate~~ ^{have} sufficient ~~moneys~~ ^{revenues} for providing the health care benefits

1 under subs. (1) to (4), the corporation shall inform the governor and the legislature
2 of all of the following:

3 1. That ~~the assessment is insufficient to keep~~ revenues and expenses in balance ^{will not be}
4 for one or more specified years. _↑

5 2. What increase in ^{revenues} ~~the assessment~~ would be required to maintain the current
6 ^{health savings account and} benefit level, _↑ and bring revenues and expenses into balance for the year or years
7 specified in subd. 1.

8 3. Alternative reductions in the amount deposited into health savings accounts
9 under s. 260.10 (1) (b) 2. or in the benefits under this section that would be
10 appropriate to ~~avoid an increase in the assessment and bring~~ bring revenues and
11 expenses into balance for the year or years specified in subd. 1.

12 4. The ^{revenue} ~~assessment~~ increase, health savings account deposit reductions, or
13 benefit reductions, or the combination of increase and reductions, that the
14 corporation recommends to bring revenues and expenses into balance for the year or
15 years specified in subd. 1.

16 5. The health savings account deposit reductions, or benefit reductions that the
17 corporation prefers to bring revenues and expenses into balance for the year or years
18 specified in subd. 1. if legislation that ~~alters the assessment formula,~~ ^{increases revenues} health savings ^{reduces}
19 account deposit under s. 260.10 (1) (b) 2., or benefits provided under this section _{reduces}
20 not enacted before the beginning of the first year specified in subd. 1. _↑

21 (b) If legislation is not enacted before the beginning of the first year specified
22 in subd. 1. to bring revenues and expenses into balance for the year or years specified
23 in par. (a) 1., the corporation shall implement the health savings account deposit
24 reductions, or benefit reductions specified in par. (a) 5.

1 (c) For each prescription of a brand-name drug that is not on the preferred list
2 determined by the corporation, under s. 260.20 (3) (a) or by the eligible resident's
3 health care plan under s. 260.20 (3) (b), in addition to the coinsurance required under
4 par. (a), either coinsurance of at least 20 percent but not more than 40 percent or a
5 copayment, as determined by the corporation.

6 (4) MAXIMUM AMOUNTS. (a) Subject to par. (c), an eligible resident under sub.
7 (2) (a) may not be required to pay more than \$2,000 per year in total cost sharing
8 under subs. (2) and (3).

9 (b) Subject to par. (c), an eligible resident under sub. (2) (b) may not be required
10 to pay more than \$500 per year in total cost sharing under subs. (2) and (3).

11 (c) A family consisting of 2 or more eligible residents may not be required to pay
12 more than \$3,000 per year in total cost sharing under subs. (2) and (3).

13 (5) ADJUSTMENTS. (a) Notwithstanding subs. (2) to (4), the corporation shall
14 reduce the deductible, coinsurance, copayment, ^{or} ~~and~~ maximum cost-sharing
15 amounts for low-income eligible residents, as determined by the corporation, to
16 ensure that the cost sharing required does not deter low-income eligible residents
17 from seeking and using appropriate health care services.

18 (b) Notwithstanding subs. (2) to (4), beginning in 2010, the corporation
19 annually shall adjust the deductible and maximum cost-sharing amounts to reflect
20 the annual percentage change in the U.S. consumer price index for all urban
21 consumers, U.S. city average, as determined by the U.S. department of labor, for the
22 12-month period ending on December 31 of the preceding year.

23 **260.30 Preexisting condition exclusion. (1) TO WHOM APPLICABLE.** Subject
24 to sub. (2), a health care plan may not provide coverage for any preexisting condition,
25 as defined by the corporation, of an eligible resident who, at any time during the

1 18-month period before becoming an eligible resident, resided outside of Wisconsin
2 and who did not have health insurance coverage that was substantially similar to the
3 coverage provided under this chapter, as determined by the corporation.

4 (2) LENGTH OF EXCLUSION. A preexisting condition exclusion under sub. (1) may
5 not extend beyond the date on which the eligible resident has been covered under this
6 chapter for a total of 18 months, which coverage ^{shall} ~~need not~~ be continuous.

7 **260.40 Health care advisory committee; health care policies. (1)**
8 ESTABLISHMENT OF COMMITTEE. (a) The corporation shall establish a health care
9 advisory committee to advise it on all matters related to promoting healthier
10 lifestyles; promoting health care quality; increasing the transparency of health care
11 cost and quality information; preventive care; disease management; the appropriate
12 use of primary care, medical specialists, prescription drugs, and hospital emergency
13 rooms; confidentiality of medical information; the appropriate use of technology;
14 benefit design; the availability of physicians, hospitals, and other providers; and
15 reducing health care costs.

16 (b) The committee shall consist of the following:

- 17 1. Three members designated by the Wisconsin Medical Society.
- 18 2. Three members designated by the Wisconsin Hospital Association.
- 19 3. One member designated by the dean of the University of Wisconsin School
20 of Medicine and Public Health.
- 21 4. One member designated by the president of the Medical College of
22 Wisconsin.
- 23 5. One member designated by the Wisconsin Nurses Association.
- 24 6. One member designated by the Wisconsin Federation of Nurses and Health
25 Professionals.

1 7. One member designated by the Wisconsin Chiropractic Association.

2 8. One member designated by the Wisconsin Dental Association.

3 (c) The committee members shall elect a chairperson from among the members.

4 The chairperson, or his or her designee, shall attend every meeting of the board to
5 communicate to the corporation the advice and recommendations of the committee.

6 The chairperson, or his or her designee, shall communicate to the committee any
7 questions on which the corporation is seeking the committee's advice or
8 recommendations. The corporation shall vote on each recommendation submitted
9 to it by the committee as to whether the recommendation should be implemented.

10 (d) Annually, on or before September 1, the committee shall ~~submit~~ ^{submit} to the ^{summary for}
11 corporation ^{all of} its ^{during the prior 12 months,} recommendations for improving the health insurance purchasing
12 arrangement under this chapter. The corporation shall include those
13 recommendations ^{and the vote the corporation has taken on them} in its annual report under s. 260.05 (2) (f).

14 (2) ADOPTION OF HEALTH CARE POLICIES. The corporation shall do all of the
15 following:

16 (a) In consultation with the health care advisory committee and experts on
17 creating effective incentives for individuals and employers relating to healthier
18 lifestyles, adopt evidence-based policies that create incentives for eligible residents
19 to adopt healthier lifestyles and for employers to institute work-based programs
20 that have been shown to improve the health status of employees and their families.

21 (b) In consultation with the health care advisory committee and experts on
22 increasing the transparency of health care cost and quality information, and in
23 collaboration with the health care advisory committee and health care plans and
24 health care providers, adopt policies that provide eligible residents with current,
25 comprehensive, easily accessible, and easily understandable information about the

get rid of all tax stuff - but ^{keep} HSA tax stuff

don't award Badges Care

of any of the Tier 1 plans

p 64

The Tier 1 plan that you choose

or
the Tier 1 plan that the corp chooses
if you choose a Tier 2 or Tier 3

p 67 if fails to pay for T2 or T3 - randomly assigned to Tier 1

p 67 ~~and other any other~~

related health care services
as set by the corp

p 71 shall reduce
one or more of those things

