

## 2005 ASSEMBLY BILL 926

1     **AN ACT** *to renumber* 635.02 (7); *to amend* 185.99 (2) (b), 185.99 (2) (c) 2., 185.99  
2           (4) (a) (intro.) and 185.99 (4) (b); and *to create* 185.99 (4) (c) and 635.02 (7) (b)  
3           of the statutes; **relating to:** group health care plans offered by health benefit  
4           purchasing cooperatives.

---

*Analysis by the Legislative Reference Bureau*

---

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

5           **SECTION 1.** 185.99 (2) (b) of the statutes is amended to read:  
6           185.99 **(2)** (b) The purpose of a health benefit purchasing cooperative is to  
7           provide health care benefits for the individuals specified in sub. (4) (a) 1. to 3., under  
8           a single group health care policy or plan through a contract with between the health  
9           benefit purchasing cooperative and an insurer authorized to do business in this state  
10          in one or more lines of insurance that includes health insurance.

**ASSEMBLY BILL 926****SECTION 2**

1           **SECTION 2.** 185.99 (2) (c) 2. of the statutes is amended to read:

2           185.99 **(2)** (c) 2. All members ~~purchase~~ receive their health care benefits ~~from~~  
3 ~~the same insurer~~ under the group health care policy or plan negotiated under sub.  
4 (4) (a).

5           **SECTION 3.** 185.99 (4) (a) (intro.) of the statutes is amended to read:

6           185.99 **(4)** (a) (intro.) The health care benefits offered by a health benefit  
7 purchasing cooperative shall be negotiated between the health benefit purchasing  
8 cooperative and the insurer and shall be offered in a single group health care policy  
9 or plan. The insurer must offer coverage under the group health care policy or plan  
10 to all of the following:

11           **SECTION 4.** 185.99 (4) (b) of the statutes is amended to read:

12           185.99 **(4)** (b) The contract between the ~~members of a~~ health benefit  
13 purchasing cooperative and an insurer shall be for a term of 3 years. Upon  
14 enrollment in the insurer's group health benefit care policy or plan, each member  
15 shall pay to the health benefit purchasing cooperative an amount determined by the  
16 health benefit purchasing cooperative that is not less than the member's applicable  
17 premium for the 36th month of coverage under the contract. If a member withdraws  
18 from the health benefit purchasing cooperative before the end of the contract term,  
19 the health benefit purchasing cooperative may retain, as a penalty, an amount  
20 specified by the health benefit purchasing cooperative that is not less than the  
21 premium that the member paid for the 36th month of coverage.

22           **SECTION 5.** 185.99 (4) (c) of the statutes is created to read:

23           185.99 **(4)** (c) An insurer that contracts under this section with a health benefit  
24 purchasing cooperative that provides health care benefits for more than 50  
25 individuals who are members or employees of one or more members is not a small

**ASSEMBLY BILL 926**

1 employer insurer, as defined in s. 635.02 (8), with respect to the contract between the  
2 insurer and the health benefit purchasing cooperative.

3 **SECTION 6.** 635.02 (7) of the statutes is renumbered 635.02 (7) (a).

4 **SECTION 7.** 635.02 (7) (b) of the statutes is created to read:

5 635.02 (7) (b) Notwithstanding par. (a), “small employer” does not include any  
6 of the following:

- 7 1. A health benefit purchasing cooperative under s. 185.99 that provides health  
8 care benefits for more than 50 individuals who are members or employees of one or  
9 more members.
- 10 2. A member of a cooperative specified in subd. 1.

11 (END)