DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

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January 10, 2008

For the suggested change to s. 632.798 (2) (b), I changed "according to the *insured* benefit terms" to "according to the *insured's* benefit terms." I assumed they were referring to the insured person. If they really did intend "*insured* benefit terms," I don't know what they are referring to.

For that same provision, I did not specify "after the insured has provided all necessary information." Newly created s. 632.798 (2) (e) provides that the insurer may require the insured to provide that information before the insurer provides *any* of the information.

Adding contracts between providers and health care plans to the initial applicability makes sense only if there are contracts or agreements between providers and health care plans under which the plans (insurers) agree not to disclose information about how much they will pay providers or how much enrollees will have to pay beyond what the plans pay. I don't know if there are such agreements. However, it does not hurt to include more than necessary in this case. In a previous version of the bill, an initial applicability addressing contracts between providers and health care plans referred to a provision in ch. 609, which is no longer in the bill, that prohibited plans from prohibiting providers from disclosing their charges. So the addition to the initial applicability provision in this substitute amendment has a different focus.

Pamela J. Kahler
Senior Legislative Attorney
Phone: (608) 266−2682
E−mail: pam.kahler@legis.wisconsin.gov

1. Please review my wording of definitions for "all−patient refined diagnosis−related groups" and "median billed charge."

2. As requested, I added "Medicare payment rates" under s. 146.903 (2) (b) 3. What entity is to provide these? (I am not at all sure that DHFS has all of them and cannot find reference to them on the DHFS website.)

3. Your instructions for changes to s. 146.903 (2) (b) 4. conflict; the WHA language asks for the percentage of charges collected by the provider from insurers, whereas your

intent seems to be to provide the average dollar amount of discounts provided by providers to insurers. The WHA language refers to a nonexistent provision of the Wisconsin Administrative Code; if, instead, the WHA is referring to the statutes, s. 153.21 (2), stats., specifies an annual consumer guide published by WHA. I do not know if the guide specifies the percentage of charges collected from insurers, and I'm not sure if that is what you want, anyway.

4. Is the effective date what you now want?

Debora A. Kennedy
Managing Attorney
Phone: (608) 266−0137
E−mail: debora.kennedy@legis.wisconsin.gov