



WISCONSIN LEGISLATIVE COUNCIL AMENDMENT MEMO

2007 Senate Bill 375

Senate Amendment 1

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2007 Senate Bill 375

Senate Bill 375 does the following:

- Removes the current minimum dollar amount requirements for insurance coverage of mental health and alcohol and other drug abuse (AODA) inpatient, outpatient, and transitional treatment.
- Requires a group health benefit plan and state or local government self-insured plan that provides coverage of inpatient and outpatient treatment for physical conditions, to provide coverage of inpatient, outpatient, and transitional mental health and AODA treatment. No dollar minimums or maximums are specified.
- Requires that group and individual health benefits plans and government self-insured plans must cover mental health and AODA treatment in the same manner as these plans cover the treatment of physical conditions.
- If a group health benefit plan, individual health benefit plan, or governmental self-insured benefit plan covers treatment of mental health and AODA treatment, the bill requires coverage of an annual screening for mental health and AODA problems if the group, individual, or local governmental self-insured plan covers one annual physical exam. The bill also requires coverage for females of one depression screening during pregnancy and one depression screening six months postpartum.

Senate Amendment 1

The amendment makes the following changes to the bill:

- Item 1 of the amendment (page 1, line 2 to page 2, line 9) corrects two cross-references in current statutes. Since the bill renumbers s. 632.89 (2m), Stats., to become s. 632.89 (4m), Stats., two cross-references in statutes that were created by 2007 Wisconsin Act 20 that include references to s. 632.89 (2m), Stats., need to be corrected.
- Item 2 of the amendment (page 2, lines 10 to 15) makes the statute on required coverage of mental disorders, alcoholism, and other diseases applicable to certain insurance that is otherwise exempt from the state's insurance laws. Under current statutes, group or blanket insurance covering risks in Wisconsin is exempt from the state's insurance laws if all of the following conditions are met: (1) both the policyholder and the group exist primarily for purposes other than to procure insurance; (2) the relationship or association between the policyholder and the group was not created for the purposes of procuring insurance; (3) the policyholder is not a Wisconsin corporation or other resident and does not have its principal office in Wisconsin; (4) no more than 25% of the certificate holders or insureds are residents of Wisconsin; (5) exemption from the state's insurance laws is not determined by rule or order of the commissioner to be contrary to the public interest; (6) on request of the Commissioner of Insurance, the insurer files with the commissioner a copy of the policy and a copy of each form of certificate; and (7) the insurer agrees to pay taxes on the Wisconsin portion of the business and provides the Commissioner of Insurance with security for the payment of those taxes. While insurers that meet all of the above conditions are exempt from the state's insurance laws, the amendment states that a group health benefit plan that would otherwise be exempt under those conditions is subject to the required coverage of mental disorders, alcoholism, and other diseases if at least 150 of the certificate holders or insureds are residents of Wisconsin.

Legislative History

On January 25, 2008, the Senate Committee on Health, Human Services, Insurance, and Job Creation recommended introduction and adoption of Senate Amendment 1 on a vote of Ayes, 5; Noes, 2; and recommended passage of the bill, as amended, by a vote of Ayes, 5; Noes, 2.

LR:jal