



**ASSEMBLY AMENDMENT 1,
TO 2009 ASSEMBLY BILL 512**

December 15, 2009 – Offered by Representative PASCH.

1 At the locations indicated, amend the bill as follows:

2 **1.** Page 1, line 11: after “problems” insert “and granting rule-making
3 authority”.

4 **2.** Page 5, line 22: delete “screening and”.

5 **3.** Page 8, line 7: delete “(2p) and (3)” and substitute “(3) to (3f)”.

6 **4.** Page 9, line 17: delete lines 17 to 25.

7 **5.** Page 10, line 1: delete lines 1 to 5.

8 **6.** Page 10, line 21: delete the material beginning with “and for” and ending
9 with “(2p)” on line 22.

10 **7.** Page 10, line 22: after that line insert:

11 “**SECTION 31m.** 632.89 (3c) of the statutes is created to read:

1 **632.89 (3c) EXEMPTION FOR COST INCREASE.** (a) Notwithstanding sub. (3), a
2 group health benefit plan or a self-insured health plan that provides coverage of the
3 treatment of nervous and mental disorders and alcoholism and other drug abuse
4 problems may elect to be exempt from the requirements under sub. (3) during the
5 plan year following any plan year in which, as a result of the requirements under sub.
6 (3), there is an increase under the plan in the total cost of coverage for the treatment
7 of physical conditions and nervous and mental disorders and alcoholism and other
8 drug abuse problems by a percentage that exceeds either of the following:

9 1. Two percent in the first plan year in which the requirements apply.

10 2. One percent in any plan year after the first plan year in which the
11 requirements apply.

12 (b) A cost increase specified under par. (a) may not be determined until the
13 group health benefit plan or self-insured health plan has complied with the
14 requirements under sub. (3) for at least the first 6 months of the plan year for which
15 the increase is to be determined. The cost increase shall be determined, and certified,
16 by a qualified actuary, as defined in s. 623.06 (1c). A copy of the actuary's
17 determination, and all underlying documentation that the actuary relied on in
18 making the determination, shall be filed with the commissioner and shall be
19 available for public inspection.

20 (c) A group health benefit plan or a self-insured health plan that qualifies for
21 an exemption under par. (a) and elects to be exempt from the requirements under
22 sub. (3) during a plan year shall promptly notify the commissioner and all enrollees
23 under the plan. The commissioner shall promulgate rules specifying the information
24 that must be provided in the notice and the manner in which the notice must be
25 given.

1 (d) Regardless of a cost increase as specified in par. (a), a group health benefit
2 plan or self-insured health plan may elect to continue to be subject to the
3 requirements under sub. (3). If a group health benefit plan or a self-insured health
4 plan elects to be exempt from the requirements under sub. (3), during the plan year
5 in which it is exempt the group health benefit plan or self-insured health plan shall
6 comply with the coverage requirements under s. 632.89 (2) (a) to (dm), 2007 stats.

7 **SECTION 31r.** 632.89 (3f) of the statutes is created to read:

8 **632.89 (3f) EXEMPTION FOR SMALL EMPLOYERS.** (a) Notwithstanding sub. (3), an
9 employer that provides health care coverage for its employees through a group
10 health benefit plan may elect to be exempt from the requirements under sub. (3)
11 during a plan year if, on the first day of the plan year, the employer will have fewer
12 than 10 eligible employees, as defined in s. 632.745 (5).

13 (b) An employer that qualifies for the exemption under par. (a) and elects to be
14 exempt from the requirements under sub. (3) during a plan year shall promptly
15 notify the commissioner and all enrollees under the employer's group health benefit
16 plan. During the plan year in which the employer is exempt from the requirements
17 under sub. (3), the group health benefit plan shall comply with the coverage
18 requirements under s. 632.89 (2) (a) to (dm), 2007 stats.

19 (c) The commissioner shall promulgate rules specifying the information that
20 must be provided in the notice under par. (b) and the manner in which the notice must
21 be given.”.

22 **8.** Page 11, line 21: after that line insert:

23 “**SECTION 36m.** 632.89 (5) (c) of the statutes is created to read:

