



State of Wisconsin
2013 - 2014 LEGISLATURE

December 2013 Special Session



LRB-3678/en
SRM:wlj:...

ASSEMBLY BILL 1

1 **AN ACT to repeal** 49.471 (4m) and 49.67 (9m); **to amend** 20.145 (5) (k), 71.07 (5g)
2 (b), 71.07 (5g) (c) 1., 71.07 (5g) (d) 2., 71.28 (5g) (b), 71.28 (5g) (c) 1., 71.28 (5g)
3 (d) 2., 71.47 (5g) (b), 71.47 (5g) (c) 1., 71.47 (5g) (d) 2., 76.655 (2), 76.655 (3) (a),
4 76.655 (5), 177.075 (3), 895.514 (2), 895.514 (3) (a) and 895.514 (3) (b); **to repeal**
5 **and recreate** 49.45 (23) (a), 49.45 (23) (a) and 49.471 (4) (a) 4. b. of the statutes;
6 and **to affect** 2013 Wisconsin Act 20, section 9122 (1L) (b) 1. b., 2013 Wisconsin
7 Act 20, section 9122 (1L) (b) 1. c., 2013 Wisconsin Act 20, section 9122 (1L) (b)
8 2. and 3. a. and c., 2013 Wisconsin Act 20, section 9122 (1L) (b) 4., 2013
9 Wisconsin Act 20, section 9122 (1L) (b) 8. (intro.), 2013 Wisconsin Act 20, section
10 9122 (1L) (b) 8. a., 9. a., 10. a. and b. and 11. b., 2013 Wisconsin Act 20, section
11 9418 (7), 2013 Wisconsin Act 20, section 9418 (7m) and 2013 Wisconsin Act 20,
12 section 9418 (9); **relating to:** delaying eligibility changes to BadgerCare Plus
13 and BadgerCare Plus Core and delaying other changes to the Medical

1 Assistance program; and extending coverage under, and the deadline for the
2 dissolution of, the Health Insurance Risk-Sharing Plan.

Analysis by the Legislative Reference Bureau

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

3 **SECTION 1.** 20.145 (5) (k) of the statutes, as created by 2013 Wisconsin Act 20,
4 is amended to read:

5 20.145 (5) (k) *Operational expenses.* All moneys transferred from the
6 appropriation account under par. (g) for operational expenses related to winding up
7 the affairs of the Health Insurance Risk-Sharing Plan, including hiring consultants,
8 limited-term employees, and experts.

9 **SECTION 2.** 49.45 (23) (a) of the statutes, as affected by 2013 Wisconsin Act 20,
10 section 1046, is repealed and recreated to read:

11 49.45 (23) (a) The department shall request a waiver from the secretary of the
12 federal department of health and human services to permit the department to
13 conduct a demonstration project to provide health care coverage to adults who are
14 under the age of 65, who have family incomes not to exceed 100 percent of the poverty
15 line before application of the 5 percent income disregard under 42 CFR 435.603 (d),
16 and who are not otherwise eligible for medical assistance under this subchapter, the
17 Badger Care health care program under s. 49.665, or Medicare under 42 USC 1395
18 et seq. If the department creates a policy under sub. (2m) (c) 10., this paragraph does
19 not apply to the extent that it conflicts with the policy.

20 **SECTION 3.** 49.45 (23) (a) of the statutes, as affected by 2013 Wisconsin Act 20,
21 section 1047, and 2013 Wisconsin Act ... (this act), is repealed and recreated to read:

1 49.45 **(23)** (a) The department shall request a waiver from the secretary of the
2 federal department of health and human services to permit the department to
3 conduct a demonstration project to provide health care coverage to adults who are
4 under the age of 65, who have family incomes not to exceed 100 percent of the poverty
5 line before application of the 5 percent income disregard under 42 CFR 435.603 (d),
6 and who are not otherwise eligible for medical assistance under this subchapter, the
7 Badger Care health care program under s. 49.665, or Medicare under 42 USC 1395
8 et seq.

9 **SECTION 4.** 49.471 (4) (a) 4. b. of the statutes, as affected by 2013 Wisconsin Act
10 20, is repealed and recreated to read:

11 49.471 **(4)** (a) 4. b. The individual's family income does not exceed 100 percent
12 of the poverty line before application of the 5 percent income disregard under 42 CFR
13 435.603 (d).

14 **SECTION 5.** 49.471 (4m) of the statutes, as created by 2013 Wisconsin Act 20,
15 is repealed.

16 **SECTION 6.** 49.67 (9m) of the statutes is repealed.

17 **SECTION 7.** 71.07 (5g) (b) of the statutes, as affected by 2013 Wisconsin Act 20,
18 is amended to read:

19 71.07 **(5g)** (b) *Filing claims.* Subject to the limitations provided under this
20 subsection, for taxable years beginning after December 31, 2005, and before January
21 1, 2014 2015, a claimant may claim as a credit against the taxes imposed under s.
22 71.02 an amount that is equal to the amount of the assessment under s. 149.13, 2011
23 stats., that the claimant paid in the claimant's taxable year, multiplied by the
24 percentage determined under par. (c) 1.

1 **SECTION 8.** 71.07 (5g) (c) 1. of the statutes, as affected by 2013 Wisconsin Act
2 20, is amended to read:

3 71.07 **(5g)** (c) 1. The department of revenue, in consultation with the office of
4 the commissioner of insurance, shall determine the percentage under par. (b) for
5 each claimant for each taxable year. The percentage shall be equal to \$5,000,000
6 divided by the aggregate assessment under s. 149.13, 2011 stats., except that for
7 taxable years beginning after December 31, 2013, and before January 1, 2015, the
8 percentage shall be equal to \$1,250,000 divided by the aggregate assessment under
9 s. 149.13, 2011 stats., and shall not exceed 100 percent. The office of the
10 commissioner of insurance shall provide to each claimant that participates in the
11 cost of administering the plan the aggregate assessment at the time that it notifies
12 the claimant of the claimant's assessment. The aggregate amount of the credit under
13 this subsection and ss. 71.28 (5g), 71.47 (5g), and 76.655 for all claimants
14 participating in the cost of administering the plan under ch. 149, 2011 stats., shall
15 not exceed \$5,000,000 in each fiscal year.

16 **SECTION 9.** 71.07 (5g) (d) 2. of the statutes, as created by 2013 Wisconsin Act
17 20, is amended to read:

18 71.07 **(5g)** (d) 2. No credit may be claimed under this subsection for taxable
19 years beginning after December 31, ~~2013~~ 2014. Credits under this subsection for
20 taxable years that begin before January 1, ~~2014~~ 2015, may be carried forward to
21 taxable years that begin after December 31, ~~2013~~ 2014.

22 **SECTION 10.** 71.28 (5g) (b) of the statutes, as affected by 2013 Wisconsin Act 20,
23 is amended to read:

24 71.28 **(5g)** (b) *Filing claims.* Subject to the limitations provided under this
25 subsection, for taxable years beginning after December 31, 2005, and before January

1 1, ~~2014~~ 2015, a claimant may claim as a credit against the taxes imposed under s.
2 71.23 an amount that is equal to the amount of assessment under s. 149.13, 2011
3 stats., that the claimant paid in the claimant's taxable year, multiplied by the
4 percentage determined under par. (c) 1.

5 **SECTION 11.** 71.28 (5g) (c) 1. of the statutes, as affected by 2013 Wisconsin Act
6 20, is amended to read:

7 71.28 **(5g)** (c) 1. The department of revenue, in consultation with the office of
8 the commissioner of insurance, shall determine the percentage under par. (b) for
9 each claimant for each taxable year. The percentage shall be equal to \$5,000,000
10 divided by the aggregate assessment under s. 149.13, 2011 stats., except that for
11 taxable years beginning after December 31, 2013, and before January 1, 2015, the
12 percentage shall be equal to \$1,250,000 divided by the aggregate assessment under
13 s. 149.13, 2011 stats., and shall not exceed 100 percent. The office of the
14 commissioner of insurance shall provide to each claimant that participates in the
15 cost of administering the plan the aggregate assessment at the time that it notifies
16 the claimant of the claimant's assessment. The aggregate amount of the credit under
17 this subsection and ss. 71.07 (5g), 71.47 (5g), and 76.655 for all claimants
18 participating in the cost of administering the plan under ch. 149, 2011 stats., shall
19 not exceed \$5,000,000 in each fiscal year.

20 **SECTION 12.** 71.28 (5g) (d) 2. of the statutes, as created by 2013 Wisconsin Act
21 20, is amended to read:

22 71.28 **(5g)** (d) 2. No credit may be claimed under this subsection for taxable
23 years beginning after December 31, ~~2013~~ 2014. Credits under this subsection for
24 taxable years that begin before January 1, ~~2014~~ 2015, may be carried forward to
25 taxable years that begin after December 31, ~~2013~~ 2014.

1 **SECTION 13.** 71.47 (5g) (b) of the statutes, as affected by 2013 Wisconsin Act 20,
2 is amended to read:

3 71.47 **(5g)** (b) *Filing claims.* Subject to the limitations provided under this
4 subsection, for taxable years beginning after December 31, 2005, and before January
5 1, ~~2014~~ 2015, a claimant may claim as a credit against the taxes imposed under s.
6 71.43 an amount that is equal to the amount of assessment under s. 149.13, 2011
7 stats., that the claimant paid in the claimant's taxable year, multiplied by the
8 percentage determined under par. (c) 1.

9 **SECTION 14.** 71.47 (5g) (c) 1. of the statutes, as affected by 2013 Wisconsin Act
10 20, is amended to read:

11 71.47 **(5g)** (c) 1. The department of revenue, in consultation with the office of
12 the commissioner of insurance, shall determine the percentage under par. (b) for
13 each claimant for each taxable year. The percentage shall be equal to \$5,000,000
14 divided by the aggregate assessment under s. 149.13, 2011 stats., except that for
15 taxable years beginning after December 31, 2013, and before January 1, 2015, the
16 percentage shall be equal to \$1,250,000 divided by the aggregate assessment under
17 s. 149.13, 2011 stats., and shall not exceed 100 percent. The office of the
18 commissioner of insurance shall provide to each claimant that participates in the
19 cost of administering the plan the aggregate assessment at the time that it notifies
20 the claimant of the claimant's assessment. The aggregate amount of the credit under
21 this subsection and ss. 71.07 (5g), 71.28 (5g), and 76.655 for all claimants
22 participating in the cost of administering the plan under ch. 149, 2011 stats., shall
23 not exceed \$5,000,000 in each fiscal year.

24 **SECTION 15.** 71.47 (5g) (d) 2. of the statutes, as created by 2013 Wisconsin Act
25 20, is amended to read:

1 71.47 (5g) (d) 2. No credit may be claimed under this subsection for taxable
2 years beginning after December 31, ~~2013~~ 2014. Credits under this subsection for
3 taxable years that begin before January 1, ~~2014~~ 2015, may be carried forward to
4 taxable years that begin after December 31, ~~2013~~ 2014.

5 **SECTION 16.** 76.655 (2) of the statutes, as affected by 2013 Wisconsin Act 20,
6 is amended to read:

7 76.655 (2) FILING CLAIMS. Subject to the limitations provided under this section,
8 for taxable years beginning after December 31, 2005, and before January 1, ~~2014~~
9 2015, a claimant may claim as a credit against the fees imposed under ss. 76.60,
10 76.63, 76.65, 76.66 or 76.67 an amount that is equal to the amount of assessment
11 under s. 149.13, 2011 stats., that the claimant paid in the claimant's taxable year,
12 multiplied by the percentage determined under sub. (3).

13 **SECTION 17.** 76.655 (3) (a) of the statutes, as affected by 2013 Wisconsin Act 20,
14 is amended to read:

15 76.655 (3) (a) The department of revenue, in consultation with the office of the
16 commissioner of insurance, shall determine the percentage under sub. (2) for each
17 claimant for each taxable year. The percentage shall be equal to \$5,000,000 divided
18 by the aggregate assessment under s. 149.13, 2011 stats., except that for taxable
19 years beginning after December 31, 2013, and before January 1, 2015, the
20 percentage shall be equal to \$1,250,000 divided by the aggregate assessment under
21 s. 149.13, 2011 stats., and shall not exceed 100 percent. The office of the
22 commissioner of insurance shall provide to each claimant that participates in the
23 cost of administering the plan the aggregate assessment at the time that it notifies
24 the claimant of the claimant's assessment. The aggregate amount of the credit under
25 this subsection and ss. 71.07 (5g), 71.28 (5g), and 71.47 (5g) for all claimants

1 participating in the cost of administering the plan under ch. 149, 2011 stats., shall
2 not exceed \$5,000,000 in each fiscal year.

3 **SECTION 18.** 76.655 (5) of the statutes, as created by 2013 Wisconsin Act 20, is
4 amended to read:

5 76.655 (5) SUNSET. No credit may be claimed under this section for taxable
6 years beginning after December 31, ~~2013~~ 2014. Credits under this section for taxable
7 years that begin before January 1, ~~2014~~ 2015, may be carried forward to taxable
8 years that begin after December 31, ~~2013~~ 2014.

9 **SECTION 19.** 177.075 (3) of the statutes, as created by 2013 Wisconsin Act 20,
10 is amended to read:

11 177.075 (3) Any intangible property distributable in the course of the
12 dissolution of the Health Insurance Risk-Sharing Plan under 2013 Wisconsin Act
13 20, section 9122 (1L), and 2013 Wisconsin Act ... (this act), section 32 (1) (b), is
14 presumed abandoned as otherwise provided under this chapter if sub. (1) (a), (b), or
15 (c) does not apply with respect to the distribution.

16 **SECTION 20.** 895.514 (2) of the statutes, as created by 2013 Wisconsin Act 20,
17 is amended to read:

18 895.514 (2) No cause of action of any nature may arise against, and no liability
19 may be imposed upon, the authority, plan, or board; or any agent, employee, or
20 director of any of them; or insurers participating in the plan; or the commissioner;
21 or any agent, employee, or representative of the commissioner, for any act or
22 omission by any of them in the performance of their powers and duties under ch. 149,
23 2011 stats., ~~or~~ under 2013 Wisconsin Act 20, section 9122 (1L), or under 2013
24 Wisconsin Act ... (this act), section 32 (1) (b), unless the person asserting liability
25 proves that the act or omission constitutes willful misconduct.

1 **SECTION 21.** 895.514 (3) (a) of the statutes, as created by 2013 Wisconsin Act
2 20, is amended to read:

3 895.514 (3) (a) Except as provided in 2013 Wisconsin Act 20, section 9122 (1L),
4 and 2013 Wisconsin Act ... (this act), section 32 (1) (b), neither the state nor any
5 political subdivision of the state nor any officer, employee, or agent of the state or a
6 political subdivision acting within the scope of employment or agency is liable for any
7 debt, obligation, act, or omission of the authority.

8 **SECTION 22.** 895.514 (3) (b) of the statutes, as created by 2013 Wisconsin Act
9 20, is amended to read:

10 895.514 (3) (b) All of the expenses incurred by the authority, or the
11 commissioner, or any agent, employee, or representative of the commissioner, in
12 exercising its duties and powers under ch. 149, 2011 stats., ~~or~~ under 2013 Wisconsin
13 Act 20, section 9122 (1L), or under 2013 Wisconsin Act ... (this act), section 32 (1) (b),
14 shall be payable only from funds of the authority or from the appropriation under s.
15 20.145 (5) (g) or (k), or from any combination of those payment sources.

16 **SECTION 23.** 2013 Wisconsin Act 20, section 9122 (1L) (b) 1. b. is repealed and
17 recreated to read:

18 [2013 Wisconsin Act 20] Section 9122 (1L) (b) 1. b. Coverage under the policies
19 issued under the plan, including to persons whose coverage under the plan is funded
20 under a contract with the federal department of health and human services,
21 terminates at 11:59 p.m. on December 31, 2013. At least 60 days before coverage
22 terminates, the authority shall provide notice of the date on which coverage
23 terminates to all covered persons, all insurers and providers that are affected by the
24 termination of the coverage, the office, the legislative audit bureau, and the insurers
25 described in subsection (1m) (b) 1.

1 **SECTION 24.** 2013 Wisconsin Act 20, section 9122 (1L) (b) 1. c. is repealed.

2 **SECTION 25.** 2013 Wisconsin Act 20, section 9122 (1L) (b) 2. and 3. a. and c. are
3 repealed and recreated to read:

4 [2013 Wisconsin Act 20] Section 9122 (1L) (b) 2. ‘Provider claims.’ Providers
5 of medical services and devices and prescription drugs to covered persons must file
6 claims for payment no later than June 1, 2014. Any claim filed after that date is not
7 payable and may not be charged to the covered person who received the service,
8 device, or drug. Except for copayments, coinsurance, or deductibles required under
9 the plan, consistent with sections 149.14 (3) and 149.142 (2m) of the statutes, a
10 provider may not bill a covered person who receives a covered service or article and
11 shall accept as payment in full the payment rate determined under section 149.142
12 (1) of the statutes.

13 3. a. Except for a grievance related to a prior authorization, any grievance by
14 a covered person must be in writing and received no later than July 1, 2014, or be
15 barred.

16 c. A covered person who submits a grievance after March 31, 2014, must
17 request an independent review, if any, with respect to the grievance no later than
18 August 1, 2014, or be barred from requesting an independent review with respect to
19 the grievance.

20 **SECTION 26.** 2013 Wisconsin Act 20, section 9122 (1L) (b) 4. is amended to read:

21 [2013 Wisconsin Act 20] Section 9122 (1L) (b) 4. ‘Payment of plan costs.’ The
22 To the extent possible, the authority shall pay plan costs incurred in 2013 and all
23 other costs associated with dissolving the plan that are incurred before
24 administrative responsibility for the dissolution of the plan is transferred to the
25 office under subdivision 8. The authority and the office shall make every effort to pay

1 plan costs in accordance with, or as closely as possible to, the manner provided in
2 section 149.143 of the statutes.

3 **SECTION 27.** 2013 Wisconsin Act 20, section 9122 (1L) (b) 8. (intro.) is repealed
4 and recreated to read:

5 [2013 Wisconsin Act 20] Section 9122 (1L) (b) 8. ‘Transfer to the office.’ (intro.)
6 On February 28, 2014, all of the following shall occur:

7 **SECTION 28.** 2013 Wisconsin Act 20, section 9122 (1L) (b) 8. a., 9. a., 10. a. and
8 b. and 11. b. are amended to read:

9 [2013 Wisconsin Act 20] Section 9122 (1L) (b) 8. a. Administrative
10 responsibility for the operations and dissolution of the plan is transferred to the
11 office. The commissioner shall take any action necessary or advisable to manage and
12 wind up the affairs of the plan and shall notify the legislative audit bureau when the
13 windup is completed and provide to the legislative audit bureau the final financial
14 statements of the plan. For purposes of chapter 177 of the statutes, as affected by
15 this act, the dissolution, and winding up of the affairs, of the plan shall be considered
16 a dissolution of an insurer in accordance with section 645.44 of the statutes, except
17 that a court order of dissolution is not required to effect the dissolution of the plan.

18 9. a. There is created, ~~60 days after the date coverage under the plan terminates~~
19 ~~under subdivision 1. b. on March 1, 2014~~, a Health Insurance Risk-Sharing Plan
20 advisory committee consisting of the commissioner, or his or her designee, and the
21 other 13 members of the board holding office on the date the advisory committee is
22 created.

23 10. a. On behalf of the commissioner, the authority shall provide notice of the
24 plan’s dissolution to all persons known, or reasonably expected from the plan’s
25 records, to have claims against the plan, including all covered persons. The notice

1 shall be sent by first class mail to the last-known addresses at least 60 days before
2 the date on which coverage terminates under subdivision 1. b. Notice to potential
3 claimants of the plan shall require the claimants to file their claims, together with
4 proofs of claims, ~~within 90 days after the date on which coverage terminates under~~
5 ~~subdivision 1. b. by June 1, 2014.~~ The notice shall be consistent with any relevant
6 terms of the policies under the plan and contracts and with section 645.47 (1) (a) of
7 the statutes. The notice shall serve as final notice consistent with section 645.47 (3)
8 of the statutes.

9 b. Proofs of all claims must be filed with the office in the form provided by the
10 office consistent with the proof of claim, as applicable, under section 645.62 of the
11 statutes, on or before the last day for filing specified in the notice. For good cause
12 shown, the office shall permit a claimant to make a late filing if the existence of the
13 claim was not known to the claimant and the claimant files the claim within 30 days
14 after learning of the claim, but not ~~more than 210 days after the date on which~~
15 ~~coverage terminates under subdivision 1. b. later than September 1, 2014.~~ Any such
16 late claim that would have been payable under the policy under the plan if it had been
17 filed timely and that was not covered by a succeeding insurer shall be permitted
18 unless the claimant had actual notice of the termination of the plan or the notice was
19 mailed to the claimant by first class mail at least 10 days before the insured event
20 occurred.

21 11. b. Complete a final audit of the plan, after the termination of the plan in
22 2014, ~~within 90 days after the office provides the final financial statements of the~~
23 ~~plan under subdivision 8. a. by June 30, 2015.~~

24 **SECTION 29.** 2013 Wisconsin Act 20, section 9418 (7) is amended to read:

1 [2013 Wisconsin Act 20] Section 9418 (7) PATIENT PROTECTION AND AFFORDABLE
2 CARE ACT CHANGES. The treatment of sections 49.45 (23) (a) (by SECTION 1046), ~~(b) (by~~
3 ~~SECTION 1048)~~, and (e), 49.46 (1) (a) 15., 49.47 (4) (a) 1. ~~and (e) 1. and 3.~~, 49.471 (1)
4 (f), ~~(2)~~, (3) (a) 1. and 3., (4) (a) 4. a., b., and c., ~~and 5.~~ and (b) (intro.), 1., 1m., 2., 3., and
5 4., (6) (d), (7) (a), (b) 1. and 2. and (e), (8) (d) 1. b., (9) (a) 2. b., and (10) (b) 1. (by SECTION
6 1143) and 4. b., 49.84 (6) (c) 1. d., and 66.0137 (3) of the statutes, the repeal of section
7 49.471 (7) (c) of the statutes, and SECTION 9318 (14) of this act take effect on January
8 April 1, 2014.

9 **SECTION 30.** 2013 Wisconsin Act 20, section 9418 (7m) is created to read:

10 [2013 Wisconsin Act 20] Section 9418 (7m) CHILDLESS ADULT WAIVER; MEDICAL
11 ASSISTANCE FOR THE MEDICALLY INDIGENT; ELIGIBILITY FOR THOSE LEAVING FOSTER CARE.
12 The treatment of sections 49.45 (23) (b) (by SECTION 1048), 49.47 (4) (c) 1. and 3., and
13 49.471 (2) and (4) (a) 5. of the statutes takes effect on January 1, 2014.

14 **SECTION 31.** 2013 Wisconsin Act 20, section 9418 (9) is amended to read:

15 [2013 Wisconsin Act 20] Section 9418 (9) BADGERCARE PLUS BENCHMARK
16 ELIGIBILITY; BADGER RX GOLD; BADGERCARE BASIC. The treatment of sections 20.435
17 (4) (a), (bm), (jw), and (jz), 49.471 (4) (c), (10) (b) 5. (by SECTION 1152), and (11) (a),
18 49.67, 146.45, 227.01 (13) (ur), and 227.42 (7) of the statutes takes effect on January
19 April 1, 2014.

20 **SECTION 32. Nonstatutory provisions.**

21 (1) COVERAGE EXTENSION OF THE HEALTH INSURANCE RISK-SHARING PLAN;
22 ISSUANCE OF MEDICARE SUPPLEMENT AND REPLACEMENT POLICIES.

23 (a) *Definitions.* In this subsection:

24 1. “Authority” means the Health Insurance Risk-Sharing Plan Authority
25 under subchapter III of chapter 149 of the statutes.

1 2. “Commissioner” means the commissioner of insurance.

2 3. “Covered person” means a person who has coverage under the plan.

3 4. “Medicare” has the meaning given in section 149.10 (7) of the statutes.

4 5. “Medicare Advantage” has the meaning given in section INS 3.39 (3) (r),
5 Wisconsin Administrative Code.

6 6. “Medicare replacement policy” has the meaning given in section 600.03 (28p)
7 of the statutes.

8 7. “Medicare supplement policy” has the meaning given in section 600.03 (28r)
9 of the statutes.

10 8. “Office” means the office of the commissioner of insurance.

11 9. “Plan” means the Health Insurance Risk–Sharing Plan under subchapter II
12 of chapter 149 of the statutes.

13 (b) *Extension of the plan and authority.* Notwithstanding any statute,
14 administrative rule, or provision of a policy or contract or of the plan to the contrary,
15 the dissolution of the plan and the authority as provided in 2013 Wisconsin Act 20,
16 section 9122 (1L), is modified as follows:

17 1. ‘Coverage provisions.’ Notwithstanding 2013 Wisconsin Act 20, section 9122
18 (1L) (b) 1. b., all of the following apply:

19 a. A covered person whose coverage under the plan was in effect on December
20 1, 2013, who paid his or her December premium, and who, if eligible for Medicare,
21 had not enrolled in Medicare Advantage during the federal open enrollment period
22 in 2013 may elect to obtain a policy under the plan by making a timely payment of
23 the January 2014 premium. The covered person must maintain the same policy
24 benefits, including the same deductible amount, that were in effect on December 1,
25 2013. A new deductible period will commence on January 1, 2014. The premium for

1 January 2014 must be paid no later than February 1, 2014. Thereafter, the covered
2 person must pay premiums in accordance with the terms of the contract for coverage,
3 which may not extend beyond 11:59 p.m. on March 31, 2014. Any medical claims that
4 the covered person incurs after December 31, 2013, and before the plan receives the
5 premium payment for January 2014 shall be held in abeyance and the plan shall not
6 be responsible for payment until the premium payment is received.

7 b. If a covered person’s coverage under the plan is funded under a contract with
8 the federal department of health and human services, the covered person’s coverage
9 will end as provided in 2013 Wisconsin Act 20, section 9122 (1L) (b) 1. b., unless the
10 federal department of health and human services issues a contract amendment that
11 extends the contract and coverage to a date later than December 31, 2013, and the
12 terms of the contract amendment are such that the federal government will be
13 financially liable for all costs related to the operation of the contract that exceed
14 member premium collections.

15 c. If the requirements under subdivision 1. b. are satisfied, a covered person
16 whose coverage is funded under a contract with the federal department of health and
17 human services, whose coverage under the plan was in effect on December 1, 2013,
18 who paid his or her December premium, and who had not enrolled in Medicare
19 Advantage during the federal open enrollment period in 2013 may elect to obtain a
20 policy under the plan by making a timely payment of the January 2014 premium.
21 The covered person must maintain the same policy benefits, including the same
22 deductible amount, that were in effect on December 1, 2013. A new deductible period
23 will commence on January 1, 2014. The premium for January 2014 must be paid no
24 later than February 1, 2014. Thereafter, the covered person must pay premiums in
25 accordance with the terms of the contract for coverage, which may not extend beyond

1 11:59 p.m. on March 31, 2014. Any medical claims that the covered person incurs
2 after December 31, 2013, and before the plan receives the premium payment for
3 January 2014 shall be held in abeyance and the plan shall not be responsible for
4 payment until the premium payment is received.

5 d. No later than February 1, 2014, the authority shall provide notice that
6 coverage shall terminate on March 31, 2014, to all covered persons, all insurers and
7 providers that are affected by the termination of the coverage, the office, the
8 legislative audit bureau, and the insurers described in paragraph (c) 1.

9 2. ‘Provider claims.’ Providers of medical services and devices and prescription
10 drugs to covered persons whose coverage is extended as provided in this paragraph
11 must file claims for payment no later than June 1, 2014. Any claim filed after that
12 date is not payable and may not be charged to the covered person who received the
13 service, device, or drug. Except for copayments, coinsurance, or deductibles required
14 under the plan, consistent with sections 149.14 (3) and 149.142 (2m) of the statutes,
15 a provider may not bill a covered person who receives a covered service or article and
16 shall accept as payment in full the payment rate determined under section 149.142
17 (1) of the statutes.

18 3. ‘Grievances and review.’

19 a. Any grievance by a covered person whose coverage is extended as provided
20 in this paragraph must be in writing and received no later than July 1, 2014, or be
21 barred.

22 b. A covered person whose coverage is extended as provided in this paragraph
23 who submits a grievance after March 31, 2014, must request an independent review,
24 if any, with respect to the grievance no later than August 1, 2014, or be barred from
25 requesting an independent review with respect to the grievance.

1 4. ‘Payment of plan costs.’

2 a. To the extent possible, the authority shall pay plan costs incurred in 2013
3 and 2014 and all other costs associated with operating and dissolving the plan that
4 are incurred before administrative responsibility for the dissolution of the plan is
5 transferred to the office on February 28, 2014.

6 b. All provider claims shall be adjudicated by September 30, 2014.

7 c. The authority, before March 1, 2014, and the office, on and after March 1,
8 2014, but no later than July 1, 2014, shall determine whether an assessment of
9 insurers under section 149.13 of the statutes is necessary to cover in full the plan’s
10 expenses related to operations, winding up operations, and dissolution of the plan.
11 Any such assessment shall be based on the 2013 filed plan assessment form.

12 d. No later than 30 days before distribution of any surplus remaining after the
13 dissolution of the plan, or within 30 days after completion of the dissolution of the
14 plan if there is no surplus to distribute, the office shall submit a final report to the
15 joint committee on finance on the operation and dissolution of the plan, including the
16 proposed distribution of any remaining surplus.

17 5. ‘Dissolution notice, claims, and updates.’

18 a. On behalf of the commissioner, the authority shall provide notice of the plan’s
19 dissolution to all persons known, or reasonably expected from the plan’s records, to
20 have claims against the plan, including all covered persons. Notwithstanding 2013
21 Wisconsin Act 20, section 9122 (1L) (b) 10. a., the notice shall be sent by 1st class mail
22 to the last-known addresses no later than February 1, 2014. Notice to potential
23 claimants of the plan shall require the claimants to file their claims, together with
24 proofs of claims, by June 1, 2014. The notice shall be consistent with any relevant
25 terms of the policies under the plan and contracts and with section 645.47 (1) (a) of

1 the statutes. The notice shall serve as final notice consistent with section 645.47 (3)
2 of the statutes.

3 b. Proofs of all claims must be filed with the office in the form provided by the
4 office consistent with the proof of claim, as applicable, under section 645.62 of the
5 statutes, on or before the last day for filing specified in the notice. For good cause
6 shown, the office shall permit a claimant to make a late filing if the existence of the
7 claim was not known to the claimant and the claimant files the claim within 30 days
8 after learning of the claim, but not later than September 1, 2014. Any such late claim
9 that would have been payable under the policy under the plan if it had been filed
10 timely and that was not covered by a succeeding insurer shall be permitted unless
11 the claimant had actual notice of the termination of the plan or the notice was mailed
12 to the claimant by 1st class mail at least 10 days before the insured event occurred.

13 (c) *Medicare supplement and replacement policy issuance.*

14 1. In addition to the requirement under 2013 Wisconsin Act 20, section 9122
15 (1m), an insurer offering a Medicare supplement policy or a Medicare replacement
16 policy in this state shall provide coverage under the policy to any individual who
17 satisfies all of the following:

- 18 a. The individual is eligible for Medicare.
19 b. The individual had coverage under the plan.
20 c. The individual's coverage under the plan terminated on March 31, 2014.
21 d. The individual applies for coverage under the policy before 63 days after the
22 date specified in subdivision 1. c.
23 e. The individual pays the premium for the coverage under the policy.

