



State of Wisconsin
2013 - 2014 LEGISLATURE



LRBs0211/1

December 2013 Special Session PJK/TJD/JK:jld/kjf/eev/cjs:jm

**ASSEMBLY SUBSTITUTE AMENDMENT 2,
TO 2013 ASSEMBLY BILL 1**

December 4, 2013 - Offered by Representatives BARCA, BERCEAU, BERNARD SCHABER, BILLINGS, DANOU, DOYLE, GENRICH, HESSELBEIN, HINTZ, JOHNSON, JORGENSEN, KESSLER, MASON, PASCH, POPE, RIEMER, RINGHAND, SARGENT, SHANKLAND, SINICKI, SMITH, C. TAYLOR, WACHS, WRIGHT, ZAMARRIPA, ZEPNICK, GOYKE, RICHARDS, HEBL, KAHL, CLARK, BEWLEY, KOLSTE, YOUNG and HULSEY.

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

1 extending coverage under, and the deadline for the dissolution of, the Health
2 Insurance Risk–Sharing Plan.

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10 section 1046, is repealed and recreated to read: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 133 percent of the poverty
15 line, except as provided in s. 49.471 (4g), and who are not otherwise eligible for
16 medical assistance under this subchapter, the Badger Care health care program
17 under s. 49.665, or Medicare under 42 USC 1395 et seq.

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19 (this act), is repealed and recreated to read:

20 49.45 (23) (a) The department shall request a waiver from the secretary of the
21 federal department of health and human services to permit the department to
22 conduct a demonstration project to provide health care coverage to adults who are
23 under the age of 65, who have family incomes not to exceed 100 percent of the poverty

1 line before application of the 5 percent income disregard under 42 CFR 435.603 (d),
2 and who are not otherwise eligible for medical assistance under this subchapter, the
3 Badger Care health care program under s. 49.665, or Medicare under 42 USC 1395
4 et seq.

5 **SECTION 3p.** 49.471 (1) (cr) of the statutes is created to read:

6 49.471 (1) (cr) “Enhanced federal medical assistance percentage” means a
7 federal medical assistance percentage described under 42 USC 1396d (y) or (z).

8 **SECTION 3q.** 49.471 (1) (cr) of the statutes, as created by 2013 Wisconsin Act
9 (this act), is repealed.

10 **SECTION 4.** 49.471 (4) (a) 4. b. of the statutes, as affected by 2013 Wisconsin Act
11 20, is repealed and recreated to read:

12 49.471 (4) (a) 4. b. Except as provided in sub. (4g), the individual’s family
13 income does not exceed 133 percent of the poverty line.

14 **SECTION 4b.** 49.471 (4) (a) 4. b. of the statutes, as affected by 2013 Wisconsin
15 Act (this act), is repealed and recreated to read:

16 49.471 (4) (a) 4. b. The individual’s family income does not exceed 100 percent
17 of the poverty line before application of the 5 percent income disregard under 42 CFR
18 435.603 (d).

19 **SECTION 4d.** 49.471 (4g) of the statutes is created to read:

20 49.471 (4g) **MEDICAID EXPANSION; FEDERAL MEDICAL ASSISTANCE PERCENTAGE.** For
21 services provided to individuals described under sub. (4) (a) 4. and s. 49.45 (23), the
22 department shall comply with all federal requirements to qualify for the highest
23 available enhanced federal medical assistance percentage. The department shall
24 submit any amendment to the state medical assistance plan, any request for a waiver
25 of the federal Medicaid law, or any other approval required by the federal

1 government to provide services to the individuals described under sub. (4) (a) 4. and
2 s. 49.45 (23) and to qualify for the highest available enhanced federal medical
3 assistance percentage.

4 **SECTION 4e.** 49.471 (4g) of the statutes, as affected by 2013 Wisconsin Act ...
5 (this act), is repealed.

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

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

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

11 71.07 (5g) (b) *Filing claims.* Subject to the limitations provided under this
12 subsection, for taxable years beginning after December 31, 2005, and before January
13 1, ~~2014~~ 2015, a claimant may claim as a credit against the taxes imposed under s.
14 71.02 an amount that is equal to the amount of the assessment under s. 149.13, 2011
15 stats., that the claimant paid in the claimant's taxable year, multiplied by the
16 percentage determined under par. (c) 1.

17 **SECTION 8.** 71.07 (5g) (c) 1. of the statutes, as affected by 2013 Wisconsin Act
18 20, is amended to read:

19 71.07 (5g) (c) 1. The department of revenue, in consultation with the office of
20 the commissioner of insurance, shall determine the percentage under par. (b) for
21 each claimant for each taxable year. The percentage shall be equal to \$5,000,000
22 divided by the aggregate assessment under s. 149.13, 2011 stats., except that for
23 taxable years beginning after December 31, 2013, and before January 1, 2015, the
24 percentage shall be equal to \$1,250,000 divided by the aggregate assessment under
25 s. 149.13, 2011 stats., and shall not exceed 100 percent. The office of the

1 commissioner of insurance shall provide to each claimant that participates in the
2 cost of administering the plan the aggregate assessment at the time that it notifies
3 the claimant of the claimant's assessment. The aggregate amount of the credit under
4 this subsection and ss. 71.28 (5g), 71.47 (5g), and 76.655 for all claimants
5 participating in the cost of administering the plan under ch. 149, 2011 stats., shall
6 not exceed \$5,000,000 in each fiscal year.

7 **SECTION 9.** 71.07 (5g) (d) 2. of the statutes, as created by 2013 Wisconsin Act
8 20, is amended to read:

9 71.07 (5g) (d) 2. No credit may be claimed under this subsection for taxable
10 years beginning after December 31, 2013 2014. Credits under this subsection for
11 taxable years that begin before January 1, 2014 2015, may be carried forward to
12 taxable years that begin after December 31, 2013 2014.

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

15 71.28 (5g) (b) *Filing claims.* Subject to the limitations provided under this
16 subsection, for taxable years beginning after December 31, 2005, and before January
17 1, 2014 2015, a claimant may claim as a credit against the taxes imposed under s.
18 71.23 an amount that is equal to the amount of assessment under s. 149.13, 2011
19 stats., that the claimant paid in the claimant's taxable year, multiplied by the
20 percentage determined under par. (c) 1.

21 **SECTION 11.** 71.28 (5g) (c) 1. of the statutes, as affected by 2013 Wisconsin Act
22 20, is amended to read:

23 71.28 (5g) (c) 1. The department of revenue, in consultation with the office of
24 the commissioner of insurance, shall determine the percentage under par. (b) for
25 each claimant for each taxable year. The percentage shall be equal to \$5,000,000

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

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

13 71.28 (5g) (d) 2. No credit may be claimed under this subsection for taxable
14 years beginning after December 31, ~~2013~~ 2014. Credits under this subsection for
15 taxable years that begin before January 1, ~~2014~~ 2015, may be carried forward to
16 taxable years that begin after December 31, ~~2013~~ 2014.

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

19 71.47 (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 71.43 an amount that is equal to the amount of 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 14.** 71.47 (5g) (c) 1. of the statutes, as affected by 2013 Wisconsin Act
2 20, is amended to read:

3 71.47 **(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. 71.07 (5g), 71.28 (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 15.** 71.47 (5g) (d) 2. of the statutes, as created by 2013 Wisconsin Act
17 20, is amended to read:

18 71.47 **(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 16.** 76.655 (2) of the statutes, as affected by 2013 Wisconsin Act 20,
23 is amended to read:

24 76.655 **(2)** FILING CLAIMS. Subject to the limitations provided under this section,
25 for taxable years beginning after December 31, 2005, and before January 1, ~~2014~~

1 2015, a claimant may claim as a credit against the fees imposed under ss. 76.60,
2 76.63, 76.65, 76.66 or 76.67 an amount that is equal to the amount of assessment
3 under s. 149.13, 2011 stats., that the claimant paid in the claimant's taxable year,
4 multiplied by the percentage determined under sub. (3).

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

7 76.655 (3) (a) The department of revenue, in consultation with the office of the
8 commissioner of insurance, shall determine the percentage under sub. (2) for each
9 claimant for each taxable year. The percentage shall be equal to \$5,000,000 divided
10 by the aggregate assessment under s. 149.13, 2011 stats., except that for taxable
11 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), 71.28 (5g), and 71.47 (5g) 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 18.** 76.655 (5) of the statutes, as created by 2013 Wisconsin Act 20, is
21 amended to read:

22 76.655 (5) SUNSET. No credit may be claimed under this section for taxable
23 years beginning after December 31, ~~2013~~ 2014. Credits under this section for taxable
24 years that begin before January 1, ~~2014~~ 2015, may be carried forward to taxable
25 years that begin after December 31, ~~2013~~ 2014.

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

3 177.075 (3) Any intangible property distributable in the course of the
4 dissolution of the Health Insurance Risk–Sharing Plan under 2013 Wisconsin Act
5 20, section 9122 (1L), and 2013 Wisconsin Act (this act), section 32 (1) (b), is
6 presumed abandoned as otherwise provided under this chapter if sub. (1) (a), (b), or
7 (c) does not apply with respect to the distribution.

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

10 895.514 (2) No cause of action of any nature may arise against, and no liability
11 may be imposed upon, the authority, plan, or board; or any agent, employee, or
12 director of any of them; or insurers participating in the plan; or the commissioner;
13 or any agent, employee, or representative of the commissioner, for any act or
14 omission by any of them in the performance of their powers and duties under ch. 149,
15 2011 stats., ~~or~~ under 2013 Wisconsin Act 20, section 9122 (1L), or under 2013
16 Wisconsin Act (this act), section 32 (1) (b), unless the person asserting liability
17 proves that the act or omission constitutes willful misconduct.

18 **SECTION 21.** 895.514 (3) (a) of the statutes, as created by 2013 Wisconsin Act
19 20, is amended to read:

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

1 **SECTION 22.** 895.514 (3) (b) of the statutes, as created by 2013 Wisconsin Act
2 20, is amended to read:

3 895.514 (3) (b) All of the expenses incurred by the authority, or the
4 commissioner, or any agent, employee, or representative of the commissioner, in
5 exercising its duties and powers under ch. 149, 2011 stats., ~~or~~ under 2013 Wisconsin
6 Act 20, section 9122 (1L), or under 2013 Wisconsin Act ... (this act), section 32 (1) (b),
7 shall be payable only from funds of the authority or from the appropriation under s.
8 20.145 (5) (g) or (k), or from any combination of those payment sources.

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

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

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

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

22 [2013 Wisconsin Act 20] Section 9122 (1L) (b) 2. ‘Provider claims.’ Providers
23 of medical services and devices and prescription drugs to covered persons must file
24 claims for payment no later than June 1, 2014. Any claim filed after that date is not
25 payable and may not be charged to the covered person who received the service,

1 device, or drug. Except for copayments, coinsurance, or deductibles required under
2 the plan, consistent with sections 149.14 (3) and 149.142 (2m) of the statutes, a
3 provider may not bill a covered person who receives a covered service or article and
4 shall accept as payment in full the payment rate determined under section 149.142
5 (1) of the statutes.

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

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

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

14 [2013 Wisconsin Act 20] Section 9122 (1L) (b) 4. ‘Payment of plan costs.’ ~~The~~
15 To the extent possible, the authority shall pay plan costs incurred in 2013 and all
16 other costs associated with dissolving the plan that are incurred before
17 administrative responsibility for the dissolution of the plan is transferred to the
18 office under subdivision 8. The authority and the office shall make every effort to pay
19 plan costs in accordance with, or as closely as possible to, the manner provided in
20 section 149.143 of the statutes.

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

23 [2013 Wisconsin Act 20] Section 9122 (1L) (b) 8. ‘Transfer to the office.’ (intro.)
24 On February 28, 2014, all of the following shall occur:

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

3 [2013 Wisconsin Act 20] Section 9122 (1L) (b) 8. a. Administrative
4 responsibility for the operations and dissolution of the plan is transferred to the
5 office. The commissioner shall take any action necessary or advisable to manage and
6 wind up the affairs of the plan and shall notify the legislative audit bureau when the
7 windup is completed and provide to the legislative audit bureau the final financial
8 statements of the plan. For purposes of chapter 177 of the statutes, as affected by
9 this act, the dissolution, and winding up of the affairs, of the plan shall be considered
10 a dissolution of an insurer in accordance with section 645.44 of the statutes, except
11 that a court order of dissolution is not required to effect the dissolution of the plan.

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

17 10. a. On behalf of the commissioner, the authority shall provide notice of the
18 plan's dissolution to all persons known, or reasonably expected from the plan's
19 records, to have claims against the plan, including all covered persons. The notice
20 shall be sent by first class mail to the last-known addresses at least 60 days before
21 the date on which coverage terminates under subdivision 1. b. Notice to potential
22 claimants of the plan shall require the claimants to file their claims, together with
23 proofs of claims, ~~within 90 days after the date on which coverage terminates under~~
24 ~~subdivision 1. b.~~ 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 ~~more than 210 days after the date on which~~
9 ~~coverage terminates under subdivision 1. b. later than September 1, 2014.~~ Any such
10 late claim that would have been payable under the policy under the plan if it had been
11 filed timely and that was not covered by a succeeding insurer shall be permitted
12 unless the claimant had actual notice of the termination of the plan or the notice was
13 mailed to the claimant by first class mail at least 10 days before the insured event
14 occurred.

15 11. b. Complete a final audit of the plan, after the termination of the plan in
16 2014, ~~within 90 days after the office provides the final financial statements of the~~
17 ~~plan under subdivision 8. a. by June 30, 2015.~~

18 **SECTION 32. Nonstatutory provisions.**

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

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

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

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

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

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

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

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

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

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

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

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

15 1. ‘Coverage provisions.’ Notwithstanding 2013 Wisconsin Act 20, section 9122
16 (1L) (b) 1. b., all of the following apply:

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

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

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

13 c. If the requirements under subdivision 1. b. are satisfied, a covered person
14 whose coverage is funded under a contract with the federal department of health and
15 human services, whose coverage under the plan was in effect on December 1, 2013,
16 who paid his or her December premium, and who had not enrolled in Medicare
17 Advantage during the federal open enrollment period in 2013 may elect to obtain a
18 policy under the plan by making a timely payment of the January 2014 premium.
19 The covered person must maintain the same policy benefits, including the same
20 deductible amount, that were in effect on December 1, 2013. A new deductible period
21 will commence on January 1, 2014. The premium for January 2014 must be paid no
22 later than February 1, 2014. Thereafter, the covered person must pay premiums in
23 accordance with the terms of the contract for coverage, which may not extend beyond
24 11:59 p.m. on March 31, 2014. Any medical claims that the covered person incurs
25 after December 31, 2013, and before the plan receives the premium payment for

1 January 2014 shall be held in abeyance and the plan shall not be responsible for
2 payment until the premium payment is received.

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

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

16 3. ‘Grievances and review.’

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

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

24 4. ‘Payment of plan costs.’

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

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

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

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

16 5. 'Dissolution notice, claims, and updates.'

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

