

2017 DRAFTING REQUEST

Bill

For: **Chris Kapenga (608) 266-9174** Drafter: **tdodge**
 By: **Caleb** Secondary Drafters:
 Date: **4/18/2017** May Contact:

Same as LRB:

Submit via email: **YES**
 Requester's email: **Sen.Kapenga@legis.wisconsin.gov**
 Carbon copy (CC) to: **tamara.dodge@legis.wisconsin.gov**
Aaron.McKean@legis.wisconsin.gov

Pre Topic:

No specific pre topic given

Topic:

Social and financial impact reports on health insurance mandates

Instructions:

See attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	tdodge 4/19/2017	aernsttr 4/19/2017			
/P1	tdodge 5/12/2017	aernsttr 5/16/2017	rmilford 4/19/2017		
/P2	tdodge 5/30/2017	aernsttr 5/30/2017	mbarman 5/16/2017		
/P3	tdodge 6/5/2017	aernsttr 6/5/2017	lparisi 5/30/2017		
/1			hkohn	hkohn	

*PRF
TJD*

Vers. Drafted

Reviewed

Submitted
6/5/2017

Jacketed
6/5/2017

Required

FE Sent For:

not needed

<END>

Dodge, Tamara

From: Gerbitz, Caleb
Sent: Tuesday, April 18, 2017 12:52 PM
To: Dodge, Tamara
Subject: Health Insurance Mandates Report Fix

Follow Up Flag: FollowUp
Due By: Tuesday, April 18, 2017 1:17 PM
Flag Status: Flagged

Hello Tami,

I just spoke with my boss on the social and financial impact reports on health insurance mandates bill. He gave it the stamp of approval without any changes except removing the line on the last page as we discussed last time we met. Could we please go ahead and start the process to get it formally drafted?

Thanks again for reaching out and all your work on this fix.

Best,
Caleb

Caleb Gerbitz | Legislative Aide | (608) 266-9174
Office of Wisconsin State Senator Chris Kapenga



MEMORANDUM

TO Senator Kapenga

FROM Tamara Dodge, Senior Legislative Attorney
(608) 267-7380; tamara.dodge@legis.wisconsin.gov

DATE April 10, 2017

SUBJECT Changes to social and financial impact reports on health insurance mandates;
comprehensive version

This memorandum reflects a proposed comprehensive version of the changes to sections 13.0966 and 601.423 of the statutes to remedy issues with the implementation of the social and financial impact report requirement from 2015 Wisconsin Act 288. This statutory language in this memorandum is not in proper legislative draft format but shows each entire statute with changes stricken and scored, and therefore, the actual draft will look different. This language may change after editing and, once you confirm that this is the direction you would like to go, I will confirm with management at the Legislative Reference Bureau that this will work with our computer systems.

My strategy with these changes is to place all of the requirements that are on OCI in s. 601.423 and all of the requirements on a part of the legislature in s. 13.0966. Therefore, what may look like an elimination of language may just be my moving of the requirement to the other section.

SECTION 1. 13.0966 of the statutes is amended to read:

13.0966 Review of bills or amendments establishing health insurance mandates. (1) ~~DEFINITIONS~~ DEFINITION. In this section:

- (a) ~~“Bill,” except as otherwise provided, includes an amendment.~~
- (b) ~~“Office”~~ “office” means the office of the commissioner of insurance.

(2) ~~REPORT ON BILLS ESTABLISHING HEALTH INSURANCE MANDATES.~~ (a) Any bill that requires a report by the office under s. 601.423 shall have that requirement noted on its jacket when the jacket is prepared.

****NOTE: I did not incorporate amendments into this requirement. There is not really a jacket for amendments and getting anything printed on amendment "stripes" is really difficult, especially if we print the amendment to the Senate or Assembly chambers directly.

(b) When a bill that requires a report under s. 601.423 is introduced, the legislative reference bureau shall submit a copy of the bill to the office. When an amendment that creates or alters a health insurance mandate requiring a report under s. 601.423 is offered, the legislative reference bureau shall submit a copy of the amendment to the office. The office shall prepare the report or, ~~if the office decides not to prepare the report,~~ a written statement that explains ~~the reason for not preparing the report~~ in accordance with s. 601.423. If the office prepares a written statement, the chairperson of a standing committee to which the bill has been referred, the presiding officer of either house of the legislature, either cochairperson of the joint committee on finance, or any other member of the legislature may request that the office prepare a report instead, in which case the office shall prepare a report.

(c) By the end of the next business day after receiving the report from the office under s. 601.423 (2), the chief clerk of the house in which the bill or amendment is introduced or offered shall ensure all of the following:

1. The report or written statement prepared under ~~this section shall be s. 601.423~~ is printed as an appendix to the bill or amendment and ~~shall be~~ distributed in the same manner as amendments.

2. The report or written statement ~~shall be distributed, and is~~ made available to the public, ~~before any vote is taken on the bill by either house of the legislature if the bill is not referred to a standing committee, or before any public~~

~~hearing is held before any standing committee or, if no public hearing is held, before any vote is taken by the committee.~~

****NOTE: Another option is to repeal and recreate (c) to read:

(c) By the end of the next business day after receiving the report from the office under s. 601.423 (2), the chief clerk of the house in which the bill or amendment is introduced or offered shall do all of the following or ensure all of the following is done:

1. Print the report or written statement as an appendix to the bill.
2. Distribute the report or written statement in the same manner as amendments.
3. Make the report or written statement available to the public.

SECTION 1. 601.423 of the statutes is amended to read:

601.423 Social and financial impact reports. (1) DEFINITION. In this section, “health insurance mandate” means a statute of this state that does any of the following:

(am) Requires an insurance policy, plan, or contract to do any of the following:

1. Permit a person insured under the policy, plan or contract to obtain treatment or services from a particular type of health care provider, including, but not limited to, requiring a health maintenance organization, preferred provider plan, limited service health organization or other plan to select a particular type of health care provider for participation in the plan.
2. Provide coverage for the treatment of a particular disease, condition or other health care need.
3. Provide coverage of a particular type of health care treatment or service, or of equipment, supplies or drugs used in connection with a health care treatment or service.

4. Provide coverage for particular persons because of their relation to the insured or legal status with respect to the insured, or for any other reason.

(bm) Requires a particular benefit design or imposes conditions on cost sharing under an insurance policy, plan, or contract for the treatment of a particular disease, condition, or other health care need, for a particular type of health care treatment or service, or for the provision of equipment, supplies, or drugs used in connection with a health care treatment or service.

****NOTE: "Cost sharing" is the generic, collective term we use for deductibles, copayments, and coinsurance. If you would prefer to list the specific terms, I can do that instead.

(cm) Imposes limits or conditions on a contract between an insurer and a health care provider, as defined in s. 146.81 (1).

(2) PREPARATION OF REPORT. ~~The commissioner~~ (a) Subject to par. (b), the office shall, in the manner provided under s. 13.0966, submit a report on the social and financial impact of any health insurance mandate contained in any bill or amendment affecting an insurance policy, plan, or contract, or, if the office decides not to submit a report, a written statement explaining the reason for not preparing the report, to the ~~presiding officer~~ chief clerk of ~~that~~ the house of the legislature in which the bill or amendment is introduced or offered.

****NOTE: Section 13.0966 puts the report requirement on OCI but s. 601.423 puts the requirement on the commissioner. I believe the language should be consistent and made changes accordingly.

(b) 1. The office shall submit the report or statement for a bill within 5 working days of receiving the copy of the bill from the legislative reference bureau under s. 13.0966 (2) (b).

2. The office shall submit the report or statement for an amendment within 5 working days of receiving a copy of the amendment from the legislative

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reference bureau under s. 13.0966 (2) (b) (or before the start of a committee's executive session in which the bill that would be amended by the amendment is scheduled for a vote, whichever occurs sooner). The office is not required to prepare or submit a report or statement for an amendment if, by the end of the next business day after receiving the copy of the amendment, the amendment has failed adoption or failed to be reported out of committee.

(3) CONTENTS OF REPORT. ...

****NOTE: This subsection requires no changes based on the other changes to ss. 13.0966 and 601.423 so I eliminated the text from this memorandum to save space.



State of Wisconsin
2017 - 2018 LEGISLATURE

LRB-3127(?)
TJD: Rep,
ahe

In: 4/19

Due today
4/19

PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

sa^v

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1 AN ACT ...; relating to: social and financial impact reports on health insurance
2 mandates.

Analysis by the Legislative Reference Bureau

Generally, this bill clarifies the requirements regarding social and financial impact reports that are required for bills and amendments containing health insurance mandates. Current law requires the Legislative Reference Bureau to submit a copy of a bill or amendment that requires a social and financial impact report to the Office of the Commissioner of Insurance when the bill or amendment is introduced. The bill clarifies, for amendments, that the LRB must submit a copy of an offered amendment to OCI if the amendment creates or alters a health insurance mandate.

Current law requires the commissioner of insurance to submit a report on the social and financial impact of any health insurance mandate contained in a bill or amendment, or, if the office decides not to submit the report, a written statement explaining the reason for not preparing the report. Currently, the commissioner must submit the report or written statement to the presiding officer of the house of the legislature in which the bill or amendment is introduced. The bill requires the OCI to submit the report or written statement to the chief clerk of the house in which the bill or amendment is introduced or offered within 5 working days after receiving a copy of the bill or amendment from the LRB. OCI is not required, however, to prepare or submit a report or statement for an amendment that has failed adoption or failed to be reported out of committee but the end of the next business day after receiving a copy of the amendment.

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The bill requires the chief clerk in the house in which the bill or amendment is introduced or offered to ensure, by the end of the next business day after receiving the report or written statement from OCI, that 1) the report or written statement is printed as an appendix to the bill or amendment and distributed in the same manner as amendments and 2) the report or written statement is made available to the public. Current law similarly requires the report or written statement to be printed as an appendix, distributed in the same manner as amendments, and made available to the public.

Currently, a statute that requires a particular benefit design under an insurance policy, plan, or contract for the treatment of a particular disease, condition, or other health care need, for a particular type of health care treatment or service, or for the provision of equipment, supplies, or drugs used in connection with a health care treatment or service is a health insurance mandate for which a social and financial impact report must be submitted. The bill clarifies that a statute that imposes conditions on cost sharing under a policy, plan, or contract is also a health insurance mandate for which a social and financial impact report must be submitted.

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

1 **SECTION 1.** 13.0966 (1) (title) of the statutes is repealed and recreated to read:
2 13.0966 (1) (title) DEFINITION.

3 History: 2015 a. 288. **SECTION 2.** 13.0966 (1) (a) of the statutes is repealed.

4 **SECTION 3.** 13.0966 (1) (intro.) and (b) of the statutes are consolidated,
5 renumbered 13.0966 (1) and amended to read:

6 13.0966 (1) ~~DEFINITIONS~~ ^{(c) Definition} (intro.) In this section: (b) "Office", "office" means
7 the office of the commissioner of insurance.

8 History: 2015 a. 288. **SECTION 4.** 13.0966 (2) (title) of the statutes is amended to read:

9 13.0966 (2) (title) REPORT ON BILLS ESTABLISHING HEALTH INSURANCE MANDATES.

10 History: 2015 a. 288. **SECTION 5.** 13.0966 (2) (b) of the statutes is amended to read:

11 13.0966 (2) (b) When a bill that requires a report under s. 601.423 is introduced,
12 the legislative reference bureau shall submit a copy of the bill to the office. When an

1 amendment that creates or alters a health insurance mandate requiring a report
2 under s. 601.423 is offered, the legislative reference bureau shall submit a copy of the
3 amendment to the office. The office shall prepare the report or, ~~if the office decides~~
4 ~~not to prepare the report,~~ a written statement that ~~explains the reason for not~~
5 ~~preparing the report~~ in accordance with s. 601.423. If the office prepares a written
6 statement, the chairperson of a standing committee to which the bill has been
7 referred, the presiding officer of either house of the legislature, either cochairperson
8 of the joint committee on finance, or any other member of the legislature may request
9 that the office prepare a report instead, in which case the office shall prepare a report.

History: 2015 a. 288.

10 SECTION 6. 13.0966 (2) (c) (intro.) of the statutes is created to read:

11 13.0966 (2) (c) (intro.) By the end of the next business day after receiving the
12 report or written statement from the office under s. 601.423 (2), the chief clerk of the
13 house in which the bill or amendment is introduced or offered shall ensure all of the
14 following:

15 SECTION 7. 13.0966 (2) (c) 1. of the statutes is amended to read:

16 13.0966 (2) (c) 1. The report or written statement prepared under ~~this section~~
17 s. 601.423 shall be printed as an appendix to the bill or amendment and shall be
18 distributed in the same manner as amendments.

History: 2015 a. 288.

19 SECTION 8. 13.0966 (2) (c) 2. of the statutes is amended to read:

20 13.0966 (2) (c) 2. The report or written statement ~~shall be distributed, and is~~
21 ~~made available to the public, before any vote is taken on the bill by either house of~~
22 ~~the legislature if the bill is not referred to a standing committee, or before any public~~

1 hearing is held before any standing committee or, if no public hearing is held, before
2 any vote is taken by the committee.

3 History: 2015 a. 288.

3 **SECTION 9.** 601.423 (1) (bm) of the statutes is amended to read:

4 601.423 (1) (bm) Requires a particular benefit design or imposes conditions on
5 cost sharing under an insurance policy, plan, or contract for the treatment of a
6 particular disease, condition, or other health care need, for a particular type of health
7 care treatment or service, or for the provision of equipment, supplies, or drugs used
8 in connection with a health care treatment or service.

9 History: 1987 a. 177; 2015 a. 288.

9 **SECTION 10.** 601.423 (2) of the statutes is renumbered 601.423 (2) (a) and
10 amended to read:

11 601.423 (2) (a) PREPARATION OF REPORT. The commissioner Subject to par. (b),
12 the office shall, in the manner provided under s. 13.0966, submit a report on the
13 social and financial impact of any health insurance mandate contained in any bill or
14 amendment affecting an insurance policy, plan, or contract, or, if the office decides
15 not to submit a report, a written statement explaining the reason for not preparing
16 the report, to the presiding officer chief clerk of that the house of the legislature in
17 which the bill or amendment is introduced or offered.

18 History: 1987 a. 177; 2015 a. 288.

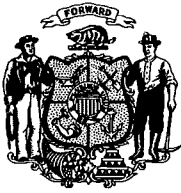
18 **SECTION 11.** 601.423 (2) (b) of the statutes is created to read:

19 601.423 (2) (b) 1. The office shall submit the report or written statement for a
20 bill within 5 working days after receiving the copy of the bill from the legislative
21 reference bureau under s. 13.0966 (2) (b).

22 2. The office shall submit the report or written statement within 5 working days
23 after receiving a copy of the amendment from the legislative reference bureau under
24 s. 13.0966 (2) (b). The office is not required to prepare or submit a report or written

1 statement for an amendment if, by the end of the next business day after receiving
2 a copy of the amendment from the legislative reference bureau, the amendment has
3 failed adoption or failed to be reported out of committee.

4 (END)



State of Wisconsin
2017 - 2018 LEGISLATURE

LRB-3127/P1
TJD:ah e P2

In: 5/12

Due Tues
5/16

PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

sa ✓

1 **AN ACT** *to repeal* 13.0966 (1) (a); *to renumber and amend* 601.423 (2); *to*
2 *consolidate, renumber and amend* 13.0966 (1) (intro.) and (b); *to amend*
3 13.0966 (2) (title), 13.0966 (2) (b), 13.0966 (2) (c) 1., 13.0966 (2) (c) 2. and 601.423
4 (1) (bm); and *to create* 13.0966 (2) (c) (intro.) and 601.423 (2) (b) of the statutes;
5 **relating to:** social and financial impact reports on health insurance mandates.

Analysis by the Legislative Reference Bureau

Generally, this bill clarifies the requirements regarding social and financial impact reports that are required for bills and amendments containing health insurance mandates. Current law requires the Legislative Reference Bureau to submit a copy of a bill or amendment that requires a social and financial impact report to the Office of the Commissioner of Insurance when the bill or amendment is introduced. The bill clarifies, for amendments, that the LRB must submit a copy of an offered amendment to OCI if the amendment creates or alters a health insurance mandate.

Current law requires the commissioner of insurance to submit a report on the social and financial impact of any health insurance mandate contained in a bill or amendment, or, if the office decides not to submit the report, a written statement explaining the reason for not preparing the report. Currently, the commissioner must submit the report or written statement to the presiding officer of the house of the legislature in which the bill or amendment is introduced. The bill requires OCI to submit the report or written statement to the chief clerk of the house in which the

bill or amendment is introduced or offered within five working days after receiving a copy of the bill or amendment from the LRB. OCI is not required, however, to prepare or submit a report or statement for an amendment that has failed adoption or failed to be reported out of committee by the end of the next business day after receiving a copy of the amendment.

The bill requires the chief clerk in the house in which the bill or amendment is introduced or offered to ensure, by the end of the next business day after receiving the report or written statement from OCI, that 1) the report or written statement is printed as an appendix to the bill or amendment and distributed in the same manner as amendments and 2) the report or written statement is made available to the public. Current law similarly requires the report or written statement to be printed as an appendix, distributed in the same manner as amendments, and made available to the public.

Currently, a statute that requires a particular benefit design under an insurance policy, plan, or contract for the treatment of a particular disease, condition, or other health care need, for a particular type of health care treatment or service, or for the provision of equipment, supplies, or drugs used in connection with a health care treatment or service is a health insurance mandate for which a social and financial impact report must be submitted. The bill clarifies that a statute that imposes conditions on cost sharing under a policy, plan, or contract is also a health insurance mandate for which a social and financial impact report must be submitted.

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

1 **SECTION 1.** 13.0966 (1) (intro.) and (b) of the statutes are consolidated,
2 renumbered 13.0966 (1) and amended to read:

3 13.0966 (1) ~~DEFINITIONS~~ DEFINITION. In this section: (b) “Office”, “office” means
4 the office of the commissioner of insurance.

5 **SECTION 2.** 13.0966 (1) (a) of the statutes is repealed.

6 **SECTION 3.** 13.0966 (2) (title) of the statutes is amended to read:

7 13.0966 (2) (title) ~~REPORT ON BILLS ESTABLISHING HEALTH INSURANCE MANDATES.~~

8 **SECTION 4.** 13.0966 (2) (b) of the statutes is amended to read:

9 13.0966 (2) (b) When a bill that requires a report under s. 601.423 is introduced,
10 the legislative reference bureau shall submit a copy of the bill to the office. When an
11 amendment that creates or alters a health insurance mandate requiring a report

1 under s. 601.423 is offered, the legislative reference bureau shall submit a copy of the
2 amendment to the office. The office shall prepare the report or, if the office decides
3 ~~not to prepare the report,~~ a written statement that explains the reason for not
4 ~~preparing the report~~ in accordance with s. 601.423. If the office prepares a written
5 statement, the chairperson of a standing committee to which the bill has been
6 referred, the presiding officer of either house of the legislature, either cochairperson
7 of the joint committee on finance, or any other member of the legislature may request
8 that the office prepare a report instead, in which case the office shall prepare a report.

9 **SECTION 5.** 13.0966 (2) (c) (intro.) of the statutes is created to read:

10 13.0966 (2) (c) (intro.) By the end of the next business day after receiving the
11 report or written statement from the office under s. 601.423 (2), the chief clerk of the
12 house in which the bill or amendment is introduced or offered shall ensure all of the
13 following:

14 **SECTION 6.** 13.0966 (2) (c) 1. of the statutes is amended to read:

15 13.0966 (2) (c) 1. The report or written statement prepared under this section
16 shall be s. 601.423 is printed as an appendix to the bill or amendment and shall be
17 distributed in the same manner as amendments.

18 **SECTION 7.** 13.0966 (2) (c) 2. of the statutes is amended to read:

19 13.0966 (2) (c) 2. The report or written statement shall be distributed, and is
20 made available to the public, before any vote is taken on the bill by either house of
21 the legislature if the bill is not referred to a standing committee, or before any public
22 hearing is held before any standing committee or, if no public hearing is held, before
23 any vote is taken by the committee.

24 **SECTION 8.** 601.423 (1) (bm) of the statutes is amended to read:

1 601.423 (1) (bm) Requires a particular benefit design or imposes conditions on
2 cost sharing under an insurance policy, plan, or contract for the treatment of a
3 particular disease, condition, or other health care need, for a particular type of health
4 care treatment or service, or for the provision of equipment, supplies, or drugs used
5 in connection with a health care treatment or service.

6 **SECTION 9.** 601.423 (2) of the statutes is renumbered 601.423 (2) (a) and
7 amended to read:

8 601.423 (2) (a) ~~The commissioner~~ Subject to par. (b), the office shall, in the
9 ~~manner provided under s. 13.0966,~~ submit a report on the social and financial impact
10 of any health insurance mandate contained in any bill or amendment affecting an
11 insurance policy, plan, or contract, or, if the office decides not to submit a report, a
12 written statement explaining the reason for not preparing the report, to the
13 ~~presiding officer~~ chief clerk of that ~~the~~ house of the legislature in which the bill or
14 amendment is introduced or offered.

15 **SECTION 10.** 601.423 (2) (b) of the statutes is created to read:

16 601.423 (2) (b) 1. The office shall submit the report or written statement for a
17 bill within 5 working days after receiving the copy of the bill from the legislative
18 reference bureau under s. 13.0966 (2) (b).

19 2. The office shall submit the report or written statement within 5 working days
20 after receiving a copy of the amendment from the legislative reference bureau under
21 s. 13.0966 (2) (b). The office is not required to prepare or submit a report or written
22 statement for an amendment if, by the end of the next business day after receiving
23 a copy of the amendment from the legislative reference bureau, the amendment has
24 failed adoption or failed to be reported out of committee.

25 (END)



State of Wisconsin
2017 - 2018 LEGISLATURE

LRB-3127(P2) e P3
TJD:ahe

In: 5/30

Due Today
if possible

PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

1 **AN ACT** *to repeal* 13.0966 (1) (a); *to renumber and amend* 601.423 (2); *to*
2 *consolidate, renumber and amend* 13.0966 (1) (intro.) and (b); *to amend*
3 13.0966 (2) (title), 13.0966 (2) (b), 13.0966 (2) (c) 1., 13.0966 (2) (c) 2. and 601.423
4 (1) (bm); and *to create* 13.0966 (2) (c) (intro.) and 601.423 (2) (b) of the statutes;
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bill or amendment is introduced or offered within ^{ten} ~~five~~ working days after receiving a copy of the bill or amendment from the LRB. OCI is not required, however, to prepare or submit a report or statement for an amendment that has failed adoption or failed to be reported out of committee by the end of the next business day after receiving a copy of the amendment.

The bill requires the chief clerk in the house in which the bill or amendment is introduced or offered to ensure, by the end of the next business day after receiving the report or written statement from OCI, that 1) the report or written statement is printed as an appendix to the bill and distributed in the same manner as amendments and 2) the report or written statement is made available to the public. Current law similarly requires the report or written statement to be printed as an appendix, distributed in the same manner as amendments, and made available to the public.

Currently, a statute that requires a particular benefit design under an insurance policy, plan, or contract for the treatment of a particular disease, condition, or other health care need, for a particular type of health care treatment or service, or for the provision of equipment, supplies, or drugs used in connection with a health care treatment or service is a health insurance mandate for which a social and financial impact report must be submitted. The bill clarifies that a statute that imposes conditions on cost sharing under a policy, plan, or contract is also a health insurance mandate for which a social and financial impact report must be submitted.

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

1 **SECTION 1.** 13.0966 (1) (intro.) and (b) of the statutes are consolidated,
2 renumbered 13.0966 (1) and amended to read:

3 13.0966 (1) ~~DEFINITIONS~~ DEFINITION. In this section: (b) “Office”, “office” means
4 the office of the commissioner of insurance.

5 **SECTION 2.** 13.0966 (1) (a) of the statutes is repealed.

6 **SECTION 3.** 13.0966 (2) (title) of the statutes is amended to read:

7 13.0966 (2) (title) ~~REPORT ON BILLS~~ ESTABLISHING HEALTH INSURANCE MANDATES.

8 **SECTION 4.** 13.0966 (2) (b) of the statutes is amended to read:

9 13.0966 (2) (b) When a bill that requires a report under s. 601.423 is introduced,
10 the legislative reference bureau shall submit a copy of the bill to the office. When an
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2 amendment to the office. The office shall prepare the report or, if the office decides
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4 ~~preparing the report~~ in accordance with s. 601.423. If the office prepares a written
5 statement, the chairperson of a standing committee to which the bill has been
6 referred, the presiding officer of either house of the legislature, either cochairperson
7 of the joint committee on finance, or any other member of the legislature may request
8 that the office prepare a report instead, in which case the office shall prepare a report.

9 **SECTION 5.** 13.0966 (2) (c) (intro.) of the statutes is created to read:

10 13.0966 (2) (c) (intro.) By the end of the next business day after receiving the
11 report or written statement from the office under s. 601.423 (2), the chief clerk of the
12 house in which the bill or amendment is introduced or offered shall ensure all of the
13 following:

14 **SECTION 6.** 13.0966 (2) (c) 1. of the statutes is amended to read:

15 13.0966 (2) (c) 1. The report or written statement prepared under ~~this section~~
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17 the same manner as amendments.

18 **SECTION 7.** 13.0966 (2) (c) 2. of the statutes is amended to read:

19 13.0966 (2) (c) 2. The report or written statement ~~shall be distributed, and is~~
20 ~~made available to the public, before any vote is taken on the bill by either house of~~
21 ~~the legislature if the bill is not referred to a standing committee, or before any public~~
22 ~~hearing is held before any standing committee or, if no public hearing is held, before~~
23 ~~any vote is taken by the committee.~~

24 **SECTION 8.** 601.423 (1) (bm) of the statutes is amended to read:

1 601.423 (1) (bm) Requires a particular benefit design or imposes conditions on
2 cost sharing under an insurance policy, plan, or contract for the treatment of a
3 particular disease, condition, or other health care need, for a particular type of health
4 care treatment or service, or for the provision of equipment, supplies, or drugs used
5 in connection with a health care treatment or service.

6 **SECTION 9.** 601.423 (2) of the statutes is renumbered 601.423 (2) (a) and
7 amended to read:

8 601.423 (2) (a) ~~The commissioner~~ Subject to par. (b), the office shall, in the
9 ~~manner provided under s. 13.0966,~~ submit a report on the social and financial impact
10 of any health insurance mandate contained in any bill or amendment affecting an
11 insurance policy, plan, or contract, or, if the office decides not to submit a report, a
12 written statement explaining the reason for not preparing the report, to the
13 ~~presiding officer~~ chief clerk of that the house of the legislature in which the bill or
14 amendment is introduced or offered.

15 **SECTION 10.** 601.423 (2) (b) of the statutes is created to read:

16 601.423 (2) (b) 1. The office shall submit the report or written statement for a
17 bill within ⁵working days after receiving the copy of the bill from the legislative
18 reference bureau under s. 13.0966 (2) (b).

19 2. The office shall submit the report or written statement within ⁵working days
20 after receiving a copy of the amendment from the legislative reference bureau under
21 s. 13.0966 (2) (b). The office is not required to prepare or submit a report or written
22 statement for an amendment if, by the end of the next business day after receiving
23 a copy of the amendment from the legislative reference bureau, the amendment has
24 failed adoption or failed to be reported out of committee.

25 (END)



State of Wisconsin
2017 - 2018 LEGISLATURE

LRB-3127(P3)
TJD:ahel

In: 6/5

Today
ASAP

PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

Please jacket
for Senate

1 **AN ACT to repeal** 13.0966 (1) (a); **to renumber and amend** 601.423 (2); **to**
2 **consolidate, renumber and amend** 13.0966 (1) (intro.) and (b); **to amend**
3 13.0966 (2) (title), 13.0966 (2) (b), 13.0966 (2) (c) 1., 13.0966 (2) (c) 2. and 601.423
4 (1) (bm); and **to create** 13.0966 (2) (c) (intro.) and 601.423 (2) (b) of the statutes;
5 **relating to:** social and financial impact reports on health insurance mandates.

Analysis by the Legislative Reference Bureau

Generally, this bill clarifies the requirements regarding social and financial impact reports that are required for bills and amendments containing health insurance mandates. Current law requires the Legislative Reference Bureau to submit a copy of a bill or amendment that requires a social and financial impact report to the Office of the Commissioner of Insurance when the bill or amendment is introduced. The bill clarifies, for amendments, that the LRB must submit a copy of an offered amendment to OCI if the amendment creates or alters a health insurance mandate.

Current law requires the commissioner of insurance to submit a report on the social and financial impact of any health insurance mandate contained in a bill or amendment, or, if the office decides not to submit the report, a written statement explaining the reason for not preparing the report. Currently, the commissioner must submit the report or written statement to the presiding officer of the house of the legislature in which the bill or amendment is introduced. The bill requires OCI to submit the report or written statement to the chief clerk of the house in which the

bill or amendment is introduced or offered within ten working days after receiving a copy of the bill or amendment from the LRB. OCI is not required, however, to prepare or submit a report or statement for an amendment that has failed adoption or failed to be reported out of committee by the end of the next business day after receiving a copy of the amendment.

The bill requires the chief clerk in the house in which the bill or amendment is introduced or offered to ensure, by the end of the next business day after receiving the report or written statement from OCI, that 1) the report or written statement is printed as an appendix to the bill and distributed in the same manner as amendments and 2) the report or written statement is made available to the public. Current law similarly requires the report or written statement to be printed as an appendix, distributed in the same manner as amendments, and made available to the public.

Currently, a statute that requires a particular benefit design under an insurance policy, plan, or contract for the treatment of a particular disease, condition, or other health care need, for a particular type of health care treatment or service, or for the provision of equipment, supplies, or drugs used in connection with a health care treatment or service is a health insurance mandate for which a social and financial impact report must be submitted. The bill clarifies that a statute that imposes conditions on cost sharing under a policy, plan, or contract is also a health insurance mandate for which a social and financial impact report must be submitted.

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

1 **SECTION 1.** 13.0966 (1) (intro.) and (b) of the statutes are consolidated,
2 renumbered 13.0966 (1) and amended to read:

3 13.0966 (1) ~~DEFINITIONS~~ DEFINITION. In this section: (b) ~~“Office”, “office”~~ means
4 the office of the commissioner of insurance.

5 **SECTION 2.** 13.0966 (1) (a) of the statutes is repealed.

6 **SECTION 3.** 13.0966 (2) (title) of the statutes is amended to read:

7 13.0966 (2) (title) ~~REPORT ON BILLS~~ ESTABLISHING HEALTH INSURANCE MANDATES.

8 **SECTION 4.** 13.0966 (2) (b) of the statutes is amended to read:

9 13.0966 (2) (b) When a bill that requires a report under s. 601.423 is introduced,
10 the legislative reference bureau shall submit a copy of the bill to the office. When an
11 amendment that creates or alters a health insurance mandate requiring a report

1 under s. 601.423 is offered, the legislative reference bureau shall submit a copy of the
2 amendment to the office. The office shall prepare the report or, ~~if the office decides~~
3 ~~not to prepare the report,~~ a written statement ~~that explains the reason for not~~
4 ~~preparing the report~~ in accordance with s. 601.423. If the office prepares a written
5 statement, the chairperson of a standing committee to which the bill has been
6 referred, the presiding officer of either house of the legislature, either cochairperson
7 of the joint committee on finance, or any other member of the legislature may request
8 that the office prepare a report instead, in which case the office shall prepare a report.

9 **SECTION 5.** 13.0966 (2) (c) (intro.) of the statutes is created to read:

10 13.0966 (2) (c) (intro.) By the end of the next business day after receiving the
11 report or written statement from the office under s. 601.423 (2), the chief clerk of the
12 house in which the bill or amendment is introduced or offered shall ensure all of the
13 following:

14 **SECTION 6.** 13.0966 (2) (c) 1. of the statutes is amended to read:

15 13.0966 (2) (c) 1. The report or written statement prepared under ~~this section~~
16 ~~shall be~~ s. 601.423 is printed as an appendix to the bill and ~~shall be~~ distributed in
17 the same manner as amendments.

18 **SECTION 7.** 13.0966 (2) (c) 2. of the statutes is amended to read:

19 13.0966 (2) (c) 2. The report or written statement ~~shall be distributed, and is~~
20 ~~made available to the public, before any vote is taken on the bill by either house of~~
21 ~~the legislature if the bill is not referred to a standing committee, or before any public~~
22 ~~hearing is held before any standing committee or, if no public hearing is held, before~~
23 ~~any vote is taken by the committee.~~

24 **SECTION 8.** 601.423 (1) (bm) of the statutes is amended to read:

1 601.423 (1) (bm) Requires a particular benefit design or imposes conditions on
2 cost sharing under an insurance policy, plan, or contract for the treatment of a
3 particular disease, condition, or other health care need, for a particular type of health
4 care treatment or service, or for the provision of equipment, supplies, or drugs used
5 in connection with a health care treatment or service.

6 **SECTION 9.** 601.423 (2) of the statutes is renumbered 601.423 (2) (a) and
7 amended to read:

8 601.423 (2) (a) ~~The commissioner~~ Subject to par. (b), the office shall, in the
9 ~~manner provided under s. 13.0966,~~ submit a report on the social and financial impact
10 of any health insurance mandate contained in any bill or amendment affecting an
11 insurance policy, plan, or contract, or, if the office decides not to submit a report, a
12 written statement explaining the reason for not preparing the report, to the
13 ~~presiding officer chief clerk of that~~ the house of the legislature in which the bill or
14 amendment is introduced or offered.

15 **SECTION 10.** 601.423 (2) (b) of the statutes is created to read:

16 601.423 (2) (b) 1. The office shall submit the report or written statement for a
17 bill within 10 working days after receiving the copy of the bill from the legislative
18 reference bureau under s. 13.0966 (2) (b).

19 2. The office shall submit the report or written statement within 10 working
20 days after receiving a copy of the amendment from the legislative reference bureau
21 under s. 13.0966 (2) (b). The office is not required to prepare or submit a report or
22 written statement for an amendment if, by the end of the next business day after
23 receiving a copy of the amendment from the legislative reference bureau, the
24 amendment has failed adoption or failed to be reported out of committee.

25 (END)