AN ACT to renumber and amend 118.40 (3) (f) and 118.40 (3) (g) 2.; to amend
20.255 (2) (fp), 20.255 (2) (fq), 66.0137 (4), 118.40 (2x) (e) 1., 118.40 (2x) (e) 2.,
118.40 (3m) (c), 120.13 (2) (g), 185.983 (1) (intro.) and 632.87 (1); and to create
20.255 (2) (fq), 118.40 (2x) (cm), 118.40 (2x) (e) 1m., 118.40 (3) (f) 2., 118.40 (3o),
120.12 (26), 609.717 and 632.87 (4m) of the statutes; relating to: authorizing
the director of the Office of Educational Opportunity in the University of
Wisconsin System to contract for the operation of a recovery charter school,
insurance coverage of mental health treatment provided by a recovery charter
school, and making appropriations.

Analysis by the Legislative Reference Bureau
Engrossment information:
The text of Engrossed 2017 Assembly Bill 6, as passed by the assembly on April
4, 2017, consists of the following documents adopted in the assembly on April 4, 2017:
the bill as affected by Assembly Amendment 1, Assembly Amendment 2, and
Assembly Amendment 4.
Contents of Engrossed 2017 Assembly Bill 6:
This bill authorizes the director of the Office of Educational Opportunity in the
University of Wisconsin System to contract with a person to operate, as a four-year
pilot project, one recovery charter school for no more than 15 high school pupils in recovery from substance use disorder or dependency. Under the bill, the operator must provide an academic curriculum that satisfies the requirement for graduation from high school as well as therapeutic programming and support for pupils attending the charter school. The bill requires a pupil who wishes to attend the recovery charter school to apply and to agree to all of the following: 1) that the pupil has begun treatment in a substance use disorder or dependency program; 2) that the pupil has maintained sobriety for at 30 days prior to attending the charter school; and 3) that the pupil will submit to a drug screening assessment and, if appropriate, a drug test prior to being admitted. The operator of the charter school may not admit a pupil who tests positive for the presence of a drug in his or her system. In addition, a pupil who enrolls in the school must receive counseling from substance use disorder or dependency counselors while enrolled in the charter school.

The contract between the operator of the recovery charter school and OEO must contain a requirement that, as a condition of continuing enrollment, an applicant for enrollment in the recovery charter school submit claims for coverage of certain services provided by the recovery charter school to his or her health care plan for which the applicant is covered for mental health services. The bill also requires the director of OEO to, following the third year of the operation of the charter school, submit a written report to the Department of Health Services regarding the operation and effectiveness of the charter school.

The bill as affected by Assembly Amendment 1 requires a school board to assist the parent or guardian of a pupil who resides in the school district and who was enrolled in but who has withdrawn from the recovery charter school to comply with compulsory education requirements. Prior to amendment, the bill had required the school board to enroll the pupil in a school in the school district. Under the bill as affected by Assembly Amendment 1, if the pupil enrolls in a school in the school district, the school board must ensure that the school applies all credits earned at the recovery charter school towards high school graduation requirements.

Assembly Amendment 1 eliminates from the bill a provision that required the Department of Public Instruction to pay a per pupil amount to a school district on behalf of a pupil who was enrolled in the recovery charter school but who withdrew from the charter school and enrolled instead in a school in the school district.

The bill permits the state superintendent to award a start-up grant towards the establishment of the recovery charter school of up to $50,000 in fiscal year 2017–18 if the director of OEO procures matching funds equal to the amount of the grant. Under the bill, the Department of Public Instruction must pay to the operator of the recovery charter school the same per pupil amount as is paid to the operator of other charter schools.

The bill prohibits a health care policy, plan, or contract from excluding coverage for mental health or behavioral health treatment or services provided by the recovery charter school if the policy, plan, or contract covers the mental health or behavior health treatment or services when provided by another health care provider. The bill as affected by Assembly Amendment 4 requires the operator of the recovery charter school to notify the pupil’s policy, plan, or contract, upon the pupil’s enrollment in the
charter school, of the services that the policy, plan, or contract may be required to cover. The bill also requires the operator of a recovery charter school, if requested by a pupil’s policy, plan, or contract, to enter into a memorandum of understanding with the policy, plan, or contract on matters other than the required coverage for services.

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

SECTION 1. 20.255 (2) (fp) of the statutes is amended to read:
20.255 (2) (fp) Charter schools; office of educational opportunity. A sum sufficient to make the payments to charter schools under s. 118.40 (2x) (e) 1.

SECTION 2. 20.255 (2) (fq) of the statutes is created to read:
20.255 (2) (fq) Charter schools; office of educational opportunity recovery charter schools. A sum sufficient to make the payments to charter schools under s. 118.40 (2x) (e) 1m. and for the grant under 2017 Wisconsin Act .... (this act), section 21 (2).

SECTION 3. 20.255 (2) (fq) of the statutes, as affected by 2017 Wisconsin Act .... (this act), is amended to read:
20.255 (2) (fq) Charter schools; office of educational opportunity recovery charter schools. A sum sufficient to make the payments to charter schools under s. 118.40 (2x)(e) 1m. and for the grant under 2017 Wisconsin Act .... (this act), section (21)(2).

SECTION 4. 66.0137 (4) of the statutes is amended to read:
66.0137 (4) SELF-INSURED HEALTH PLANS. If a city, including a 1st class city, or a village provides health care benefits under its home rule power, or if a town provides health care benefits, to its officers and employees on a self-insured basis, the self-insured plan shall comply with ss. 49.493 (3) (d), 631.89, 631.90, 631.93 (2),
SECTION 4

Engrossed Assembly Bill 6

632.746 (10) (a) 2. and (b) 2., 632.747 (3), 632.798, 632.85, 632.853, 632.855, 632.867, 632.87 (4), (5), and to (6), 632.885, 632.89, 632.895 (9) to (17), 632.896, and 767.513 (4).

SECTION 5. 118.40 (2x) (cm) of the statutes is created to read:

118.40 (2x) (cm) Notwithstanding par. (c), the director may enter into a contract to establish, as a pilot project, only one recovery charter school, to be located in this state and that operates only high school grades, if the term of the contract is limited to 4 consecutive school years and the contract requires the charter school operator to do all of the following:

1. Provide an academic curriculum that satisfies the high school graduation requirements under s. 118.33.

2. Provide therapeutic programming and support for pupils in recovery from substance use disorder or dependency.

3. Require prospective pupils to apply to attend the charter school and condition eligibility for enrollment on all of the following:

   a. That the applicant has begun treatment in a substance use disorder or dependency program.

   b. That the applicant will have maintained sobriety for at least 30 days prior to attending the charter school.

   c. That the applicant submit to a drug screening assessment and, if indicated, a drug test. An applicant who tests positive for the presence of a drug in his or her system may not be enrolled in the charter school.

4. Limit enrollment to no more than 15 pupils.
5. Require, as a condition of continuing enrollment, that an applicant receive counseling from substance use disorder or dependency counselors employed by the charter school while enrolled in the charter school.

6. Establish the following policies for pupils attending the charter school:
   a. Suspension and expulsion policies for pupils. The operator shall provide for incremental and rehabilitative discipline in the policies under this subd. 6. a. The operator shall model expulsion procedures on the procedures for expulsion under s. 120.13 (1) (c) 3.
   b. That a pupil attending the charter school may elect to unenroll from the charter school upon the completion of any treatment program required of the pupil.

7. Require, as a condition of continuing enrollment, that an applicant submit claims for coverage of therapeutic programming and support and counseling provided by the charter school to any health care plan, as defined in s. 628.36 (2) (a) 1., under which the applicant is covered for mental health services.

SECTION 6. 118.40 (2x) (e) 1. of the statutes is amended to read:

118.40 (2x) (e) 1. Beginning in the 2016–17 school year, from the appropriation under s. 20.255 (2) (fp), for each pupil attending a charter school established under this subsection, other than the charter school established under par. (cm), the department shall pay to the operator of a charter school established under this subsection an amount equal to the per pupil amount paid to an operator of a charter school under sub. (2r) (e) in that school year.

SECTION 7. 118.40 (2x) (e) 1m. of the statutes is created to read:

118.40 (2x) (e) 1m. Beginning in the 2017–18 school year, from the appropriation under s. 20.255 (2) (fq), for each pupil attending the charter school established under par. (cm), the department shall pay to the operator of the charter school...
school an amount equal to the per pupil amount paid to an operator of a charter
school under sub. (2r) (e) in that school year.

SECTION 8. 118.40 (2x) (e) 2. of the statutes is amended to read:

118.40 (2x) (e) 2. The department shall pay 25 percent of the total amount
required to be paid under this paragraph in September, 25 percent in December, 25
percent in February, and 25 percent in June. The department shall send the check
to the operator of the charter school.

SECTION 10. 118.40 (3) (f) of the statutes is renumbered 118.40 (3) (f) 1. and
amended to read:

118.40 (3) (f) 1. A contract with a school board, an entity under sub. (2r) (b) a.
to h., or the director under sub. (2x) may provide for the establishment of more than
one charter school, and, except as provided in subd. 2., a charter school governing
board may enter into more than one contract with a school board, an entity under
sub. (2r) (b), or the director under sub. (2x).

SECTION 11. 118.40 (3) (f) 2. of the statutes is created to read:

118.40 (3) (f) 2. The governing board of the charter school established under
a contract with the director under sub. (2x) (cm) may not enter into more than one
contract with the director.

SECTION 12. 118.40 (3) (g) 2. of the statutes is renumbered 118.40 (3) (g) 2. a.
and amended to read:

118.40 (3) (g) 2. a. A charter school shall give preference in enrollment to pupils
who were enrolled in the charter school in the previous school year and,

b. A charter school other than the charter school established under a contract
with the director under sub. (2x) (cm) shall give preference to siblings of pupils who
are enrolled in the charter school.
SECTION 13. 118.40 (3m) (c) of the statutes is amended to read:

    118.40 (3m) (c) Give preference in awarding contracts for the operation of
    charter schools other than the charter school established under a contract with the
    director under sub. (2x) (cm) to those charter schools that serve children at risk, as
    defined in s. 118.153 (1) (a).

SECTION 14. 118.40 (3o) of the statutes is created to read:

    118.40 (3o) REPORT OF THE DIRECTOR TO THE DEPARTMENT OF HEALTH SERVICES.
    The director shall, following the 3rd school year of the operation of the charter school
    established under par. (cm), report, in writing, to the department of health services
    on the operation and effectiveness of the charter school. The director shall include
    in the report an evaluation of the effectiveness of the charter school on long-term
    student recovery outcomes.

SECTION 15. 120.12 (26) of the statutes is created to read:

    120.12 (26) ENROLLMENT OF PUPILS. For a pupil who is a resident of the school
    district and who was enrolled in but has withdrawn from the recovery charter school
    established under s. 118.40 (2x) (cm), do all of the following:

    (a) Provide assistance to a person who has control over the pupil to meet the
    requirements under s. 118.15.

    (b) If the pupil enrolls in a school in the school district, ensure that the school
    applies all credits earned at the recovery charter school towards the high school
    graduation requirements under s. 118.33.

SECTION 16. 120.13 (2) (g) of the statutes is amended to read:

    120.13 (2) (g) Every self-insured plan under par. (b) shall comply with ss.
    49.493 (3) (d), 631.89, 631.90, 631.93 (2), 632.746 (10) (a) 2. and (b) 2., 632.747 (3),
632.798, 632.85, 632.853, 632.855, 632.867, 632.87 (4), (5), and to (6), 632.885, 
632.89, 632.895 (9) to (17), 632.896, and 767.513 (4).

SECTION 17. 185.983 (1) (intro.) of the statutes is amended to read:

185.983 (1) (intro.) Every voluntary nonprofit health care plan operated by a 
cooperative association organized under s. 185.981 shall be exempt from chs. 600 to 
646, with the exception of ss. 601.04, 601.13, 601.31, 601.41, 601.42, 601.43, 601.44, 
601.45, 611.26, 611.67, 619.04, 623.11, 623.12, 628.34 (10), 631.17, 631.89, 631.93, 
631.95, 632.72 (2), 632.745 to 632.749, 632.775, 632.79, 632.795, 632.798, 632.85, 
632.853, 632.855, 632.867, 632.87 (2), (2m), (3), (4), (5), and to (6), 632.885, 632.89, 
632.895 (5) and (8) to (17), 632.896, and 632.897 (10) and chs. 609, 620, 630, 635, 645, 
and 646, but the sponsoring association shall:

SECTION 18. 609.717 of the statutes is created to read:

609.717 Mental health services provided by a recovery charter school.

Limited service health organizations, preferred provider plans, and defined network 
plans are subject to s. 632.87 (4m).

SECTION 19. 632.87 (1) of the statutes is amended to read:

632.87 (1) No insurer may refuse to provide or pay for benefits for health care 
services provided by a licensed health care professional on the ground that the 
services were not rendered by a physician as defined in s. 990.01 (28), unless the 
contract clearly excludes services by such practitioners, but no contract or plan may 
exclude services in violation of sub. (2), (2m), (3), (4), (4m), (5), or (6).

SECTION 20. 632.87 (4m) of the statutes is created to read:

632.87 (4m) No policy, plan, or contract may exclude coverage for mental health 
or behavioral health treatment or services provided by the charter school established 
under a contract under s. 118.40 (2x) (cm), if the policy, plan, or contract covers the
mental health or behavioral health treatment or services when provided by another
health care provider, as defined in s. 146.81 (1) (a) to (p). The operator of the charter
school established under a contract under s. 118.40 (2x) (cm) shall, upon the
enrollment of a pupil in the charter school, notify the policy, plan, or contract that
covers the pupil's mental health or behavioral health treatment or services of the
services that the policy, plan, or contract may be required to cover under this
subsection. If requested by a policy, plan, or contract, an operator of the charter
school established under a contract under s. 118.40 (2x) (cm) shall enter into a
memorandum of understanding with a policy, plan, or contract on matters other than
the coverage required under this subsection, including reimbursement, payment
terms, and compliance with state and federal patient health information privacy
laws.


(1) Seeking federal moneys; department of health services. During the
2017-19 fiscal biennium, the department of health services may seek and apply for
any federal moneys for the purpose of awarding a grant to the office of educational
opportunity in the University of Wisconsin System under section 36.64 of the
statutes for the operation of the charter school established under a contract under
section 118.40 (2x) (cm) of the statutes, and if federal moneys are received, may
award those moneys as a grant to the office of educational opportunity.

(2) Office of educational opportunity; start-up funding. From the
appropriation under section 20.255 (2) (fq) of the statutes, the state superintendent
may award a start-up grant of up to $50,000 to the director of the office of educational
opportunity in the University of Wisconsin System under section 36.64 of the
statutes for the purpose of establishing a recovery charter school under section
118.40 (2x) (cm) of the statutes. The state superintendent may not award a grant
under this subsection unless the director of the office of educational opportunity
procures matching funds equal to the amount of the grant for the same purpose.

**SECTION 22. Effective dates.** This act takes effect on the day after publication,
except as follows:

(1) The creation of section 20.255 (2) (fq) of the statutes and **SECTION 21 (2)** of
this act take effect on July 1, 2017, or on the 2nd day after publication of the 2017
biennial budget act, whichever is later.

(2) The amendment of section 20.255 (2) (fq) of the statutes takes effect on July
1, 2018.

(END)