



**SENATE SUBSTITUTE AMENDMENT 2,
TO 1995 SENATE BILL 369**

March 7, 1996 – Offered by Senator RISSER.

1 **AN ACT** *to repeal* 15.735 (2); *to renumber* 153.07 (3); *to amend* 15.07 (2) (b),
2 15.07 (3) (bm) 1., 20.145 (8) (hg), 20.145 (8) (mr) and 153.01 (2); and *to create*
3 15.735 (3), 153.01 (4r), 153.01 (8m) and 153.07 (3) to (7) of the statutes; **relating**
4 **to:** eliminating the board on health care information, creating a health
5 insurance plan oversight board, requiring development of health insurance
6 plan performance measures and models, development of a health insurance
7 plan data collection and dissemination systems improvement plan and the
8 study of consolidating certain functions in a single state agency and requiring
9 submittal of certain reports.

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

10 **SECTION 1.** 15.07 (2) (b) of the statutes is amended to read:
11 15.07 (2) (b) The chairperson of the ~~board on health care information~~ insurance
12 plan oversight board shall be designated biennially by the governor.
13 **SECTION 2.** 15.07 (3) (bm) 1. of the statutes is amended to read:

1 15.07 (3) (bm) 1. The ~~board on health care information~~ insurance plan
2 oversight board shall meet 4 times each year and may meet at other times on the call
3 of the chairperson or a majority of the board's members.

4 **SECTION 3.** 15.735 (2) of the statutes is repealed.

5 **SECTION 4.** 15.735 (3) of the statutes is created to read:

6 15.735 (3) HEALTH INSURANCE PLAN OVERSIGHT BOARD. There is created a health
7 insurance plan oversight board which is attached to the office of the commissioner
8 of insurance under s. 15.03. The board shall consist of all of the following members,
9 appointed for 4-year terms:

10 (a) The following 7 providers of health care services:

11 1. One representative of hospitals, who is nominated by the Wisconsin Hospital
12 Association, Inc.

13 2. One representative of clinics, who is nominated by the Wisconsin Medical
14 Group Management Association.

15 3. One physician, who is nominated by the State Medical Society of Wisconsin.

16 4. One nurse who holds a certificate of registration under s. 441.06 (1) or a
17 license under s. 441.10 (3) and who is nominated by the Wisconsin Nurses
18 Association Incorporated.

19 5. One representative of home health agencies.

20 6. One pharmacist, who is nominated by the Wisconsin Pharmacists
21 Association, Inc.

22 7. One provider of mental health services.

23 (b) Three members of the insurance industry, one of whom is nominated by the
24 Association of Wisconsin HMOs, one of whom is nominated by Blue Cross and Blue
25 Shield United of Wisconsin and one of whom is nominated by an insurer that is

1 authorized to do business in this state in one or more lines of insurance that includes
2 health insurance.

3 (c) The following 7 health care consumers:

4 1. One representative of labor, who is nominated by the American Federation
5 of State, County and Municipal Employees, Council 24.

6 2. One mother, who is nominated by the Maternal and Child Health Coalition.

7 3. One representative of elderly persons, who is nominated by the Coalition of
8 Wisconsin Aging Groups Incorporated.

9 4. One representative of persons who have developmental disabilities, who is
10 nominated by the council on developmental disabilities.

11 5. One representative of persons who have mental illness, who is nominated
12 by the Wisconsin Coalition for Advocacy, Inc.

13 6. One representative of black consumers of health care, who is nominated by
14 the Black Health Coalition of Wisconsin.

15 7. One American Indian, who is nominated by the Great Lakes Inter-Tribal
16 Council, Inc.

17 (d) The following 6 purchasers of health care or health care coverage on behalf
18 of a group:

19 1. Two purchasers who are nominated by the Wisconsin Association of
20 Manufacturers and Commerce, Inc., one of whom purchases on behalf of a group that
21 is located in an urban area and one of whom purchases on behalf of a group that is
22 located in a rural area.

23 2. One purchaser who is nominated by a self-insured health plan.

24 3. One purchaser who is nominated by the National Federation of Independent
25 Business, Wisconsin chapter.

1 4. A representative of the department of health and social services who assists
2 in administering the medical assistance program and who is designated by the
3 secretary of health and social services.

4 5. A representative of the department of employe trust funds who is designated
5 by the secretary of employe trust funds.

6 (e) Two persons who have expertise in health care data, one of whom is a
7 member of the faculty of the Medical College of Wisconsin, Inc., and one of whom is
8 a member of the faculty of the University of Wisconsin-Madison who is nominated
9 by the chancellor of the University of Wisconsin-Madison.

10 **SECTION 5.** 20.145 (8) (hg) of the statutes is amended to read:

11 20.145 (8) (hg) *General program operations; office of health care information.*

12 The amounts in the schedule to fund the activities of the office of health care
13 information and the ~~board on health care information~~ insurance plan oversight
14 board under ch. 153. The assessments paid under s. 153.60 shall be credited to this
15 appropriation account.

16 **SECTION 6.** 20.145 (8) (mr) of the statutes is amended to read:

17 20.145 (8) (mr) *Federal funds; office of health care information.* All moneys
18 received from the federal government, as authorized by the governor under s. 16.54,
19 for the purposes of the office of health care information and the ~~board on health care~~
20 information insurance plan oversight board under ch. 153.

21 **SECTION 7.** 153.01 (2) of the statutes is amended to read:

22 153.01 (2) "Board" means the ~~board on health care information~~ insurance plan
23 oversight board.

24 **SECTION 8.** 153.01 (4r) of the statutes is created to read:

1 153.01 **(4r)** “Health plan performance measures” means the relationship of
2 features of health insurance plans to the health of individual patients or insureds.

3 **SECTION 9.** 153.01 (8m) of the statutes is created to read:

4 153.01 **(8m)** “State agency” has the meaning given in s. 16.004 (12) (a).

5 **SECTION 10.** 153.07 (3) of the statutes is renumbered 153.07 (8).

6 **SECTION 11.** 153.07 (3) to (7) of the statutes are created to read:

7 153.07 **(3)** The board shall work to accomplish all of the following:

8 (a) Increased accessibility to and usefulness of health insurance plan data.

9 (b) Development of a detailed plan of procedure for the release of health
10 insurance plan data that distinguishes health insurance plan data intended to be
11 available for public use from health insurance plan data intended to be restricted for
12 research and other nonpublic use.

13 (c) Consideration of the feasibility of developing a health insurance plan
14 institute for public and private use or instituting a publicly sponsored program for
15 private health insurance plan data collection.

16 **(4)** The board shall seek advice from the committees specified under 1995
17 Wisconsin Act (this act), section 12 (2), on all of the following:

18 (a) The identification of health insurance plan data policy issues that require
19 extensive research.

20 (b) Recommended health insurance plan data collection, analysis and
21 dissemination techniques for meeting the needs of policy makers and the public.

22 (c) Any recommended adjustments to the health insurance plan data collection
23 and dissemination systems improvement plan under sub. (5).

24 **(5)** Beginning on January 1, 1996, the health insurance plan data oversight
25 board shall do all of the following:

1 (a) Develop recommendations on the use of health insurance plan performance
2 measures, including recommendations on standardizing measures.

3 (b) Develop a health insurance plan data collection and dissemination systems
4 improvement plan for this state that addresses the following areas:

5 1. Identification of health insurance plan data collection needs of the state, with
6 priority given to data collection necessary to support public policy decisions.

7 2. Identification of existing data that can be obtained from the public or the
8 private sector and the cost of obtaining the data.

9 3. An analysis of the costs and benefits of linking data from existing public and
10 private data systems to obtain needed health insurance plan data.

11 4. Identification of data in addition to that under subds. 2. and 3., that should
12 be collected on an ongoing basis and data that should be collected on a one-time or
13 periodic basis and the costs of collecting the data.

14 5. Recommendations on the collection and dissemination of all of the following:

15 a. Comparisons of costs, including costs of health insurance plan premiums.

16 b. Information on costs of various health care services that is available through
17 existing data collection mechanisms.

18 c. Information not currently available that addresses overall costs and charges
19 for care for selected high-cost or high-volume conditions and episodes of care.

20 (c) In developing the plan under par. (b), the board shall give consideration to
21 the administrative costs imposed on health care providers and insurers as a result
22 of state data collection requirements and shall seek to minimize those costs,
23 consistent with providing necessary information about the performance of health
24 insurance plans.

1 (d) 1. Review existing health insurance plan data collection undertaken by
2 state agencies, and where appropriate, recommend any of the following:

3 a. Elimination of unnecessary data collection.

4 b. Modifications to existing data collection that will improve the utility of the
5 data or reduce the administrative costs to the public and private sectors.

6 c. Steps that would improve linkages between data systems if the linkages
7 would assist policymakers in evaluating policy issues and alternatives.

8 2. As part of the review and recommendations under subd. 1., study issues
9 associated with consolidating all health insurance plan data collection and
10 dissemination that is performed by state agencies into a single state agency.

11 **(6)** (a) Beginning on January 1, 1997, the board shall direct the office, except
12 as provided under par. (b), to apply the health insurance plan data collection and
13 dissemination systems improvement plan under sub. (5) to the collection and
14 dissemination of health insurance plan performance measures from all of the
15 following:

16 1. Health care providers under s. 153.05 (8).

17 2. An insurer, as defined in s. 600.03 (27), that provides health insurance to a
18 resident of this state.

19 3. The data bases of programs of state agencies under which health and mental
20 health services are provided.

21 4. Other sources identified in sub. (5) (b) 2.

22 (b) The board may select private contractors or a partnership of public and
23 private entities to perform the duty assigned to the office under par. (a). The board
24 shall first promulgate rules that specify the selection criteria and the manner in
25 which the health insurance plan performance measures shall be disseminated.

1 (c) By June 30, 1997, and biennially thereafter, the board shall submit a report
2 to the appropriate standing committees under s. 13.172 (3), to the commissioner and
3 to the governor, concerning the recommendations made under sub. (5) and progress
4 made toward the implementation of those recommendations.

5 (d) By January 1, 1998, the board shall submit a report to the appropriate
6 standing committees under s. 13.172 (3), to the commissioner and to the governor,
7 concerning the application of the health insurance plan data collection and
8 dissemination systems improvement plan to health insurance plan performance
9 measures under par. (a) or (b).

10 (7) State agencies that receive requests for information and assistance from the
11 board under this section shall assist the board and provide access to information that
12 is not patient-identifiable to enable the board to complete its tasks. The office of the
13 commissioner of insurance shall reimburse state agencies for these services from the
14 appropriation under s. 20.145 (1) (g).

15 **SECTION 12. Nonstatutory provisions.**

16 (1) INITIAL APPOINTMENTS OF MEMBERS OF THE HEALTH INSURANCE PLAN OVERSIGHT
17 BOARD. Notwithstanding the length of terms specified in section 15.735 (3) of the
18 statutes, as created by this act, the initial members of the health insurance plan
19 oversight board shall be appointed for the following terms:

20 (a) The members specified in section 15.735 (3) (a) and (c) of the statutes, as
21 created by this act, for terms expiring on May 1, 1999.

22 (b) The members specified in section 15.735 (3) (b), (d) and (e) of the statutes,
23 as created by this act, for terms expiring on May 1, 2001.

24 (2) COMMITTEES OF HEALTH INSURANCE PLAN OVERSIGHT BOARD. After first
25 consulting with the office of health care information and soliciting names of

1 appropriate persons from other sources, the health insurance plan oversight board
2 shall provide the commissioner of insurance with recommendations of persons as
3 members of an ethics and confidentiality committee, a technical systems
4 administration committee and a performance and measurement committee of the
5 health insurance plan oversight board. Each committee shall have as a member at
6 least one licensed physician. By the first day of the 7th month beginning after the
7 effective date of this subsection, the commissioner of insurance shall appoint the
8 recommended persons as members of the committees.

9 (3) REPORT ON STATE AGENCY CONSOLIDATION. By July 1, 1996, the health
10 insurance plan oversight board, as created by this act, shall submit a report to the
11 legislature in the manner provided under section 13.172 (3) of the statutes,
12 concerning the board's recommendations as to consolidation of health insurance plan
13 collection and dissemination by state agencies into a single state agency.

14 (4) REPORT ON HEALTH INSURANCE PLAN. By January 1, 1997, the health
15 insurance plan oversight board, as created by this act, shall submit a report to the
16 legislature in the manner provided under section 13.172 (3) of the statutes, to the
17 commissioner of insurance and to the governor, concerning the development of the
18 health insurance plan data collection and dissemination systems improvement plan
19 under section 153.07 (5) (b) of the statutes, as created by this act.

20 (5) REPORT ON RECOMMENDED STATUTORY OR RULES CHANGES. By January 1, 1997,
21 the health insurance plan oversight board, as created by this act, shall submit a
22 report to the legislature in the manner provided under section 13.172 (3) of the
23 statutes, to the commissioner of insurance and to the governor, concerning the
24 board's recommendations for changes in state statutes or administrative rules

1 needed to implement policies for the release of health insurance plan data under
2 section 153.07 (3) (b) of the statutes, as created by this act.

3 (6) REPORT ON HEALTH INSTITUTE OR PUBLICLY SPONSORED PROGRAM. By June 30,
4 1997, the health insurance plan oversight board, as created by this act, shall submit
5 a report to the legislature in the manner provided under section 13.172 (3) of the
6 statutes, to the commissioner of insurance and to the governor, concerning the
7 board's findings regarding the feasibility of developing a health institute or
8 instituting a publicly sponsored program for private health insurance plan data
9 collection under section 153.07 (3) (c) of the statutes, as created by this act.

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(END)