



2011 ASSEMBLY BILL 530

February 7, 2012 – Introduced by Representatives CRAIG, KNILANS, WYNN, AUGUST, KNUDSON, BERNIER, FARROW, JACQUE, KAPENGA, KLEEFISCH, KOOYENGA, KRAMER, KUGLITSCH, T. LARSON, LEMAHIEU, LITJENS, NASS, SPANBAUER, STROEBEL and THIESFELDT, cosponsored by Senators VUKMIR, KEDZIE, LASEE, LAZICH and GALLOWAY. Referred to Committee on Insurance.

1 **AN ACT to create** 20.9265 and 601.46 (3) (k) of the statutes; **relating to:** reports
2 on implementation of federal health reform.

Analysis by the Legislative Reference Bureau

On March 23, 2010, the federal government enacted the Patient Protection and Affordable Care Act (PPACA), which, among other things, imposes requirements and limitations on health insurance policies and health plans, requires the creation of state-based health insurance exchanges through which individuals and small employers can purchase insurance, changes the income eligibility criteria for Medicaid (known as Medical Assistance in this state), and creates incentives for improving access to health care. This bill requires agencies of the state to submit annually to the legislature a report that describes the cost, since March 23, 2010, to that agency of implementing PPACA and any federal moneys received after March 23, 2010, related to implementing PPACA, with the first report due by September 1, 2012. In addition, certain agencies must include certain information in their annual reports for that year and in an analysis of any change in the information after March 23, 2010. The Department of Health Services must include the average spending per recipient for Medical Assistance programs and the spending for Medical Assistance programs as a percentage of the state budget. The Department of Safety and Professional Services shall include the number of physicians practicing in the state. The Office of the Commissioner of Insurance must include the number of insurance companies that offer health care plans in the state. The bill also requires the commissioner of insurance to include in his or her annual report to the legislature a review of the effect the implementation of PPACA has on rates of health care plans

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that are not issued through a governmental body. That review must include the average rate for each health care plan.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

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

1 **SECTION 1.** 20.9265 of the statutes is created to read:

2 **20.9265 Federal health reform cost reports. (1) DEFINITIONS.** In this
3 section:

4 (a) “Agency” means an office, department, agency, institution of higher
5 education, association, society, or other body in state government created or
6 authorized to be created by the constitution or any law, which is entitled to expend
7 moneys appropriated by law, including the legislature, the courts, and any authority
8 created in subch. II of ch. 114 or subch. III of ch. 149 or in ch. 231, 233, 234, 238, or
9 279.

10 (b) “Medical Assistance program” includes any program operated under subch.
11 IV of ch. 49, demonstration program operated under 42 USC 1315, and program
12 operated under a waiver of federal law relating to medical assistance that is granted
13 by the federal department of health and human services.

14 (c) “Patient Protection and Affordable Care Act” means the federal Patient
15 Protection and Affordable Care Act, P.L. 111-148, as amended by the federal Health
16 Care and Education Reconciliation Act of 2010, P.L. 111-152.

17 **(2) REPORT REQUIRED.** By September 1, 2012, and annually thereafter, subject
18 to sub. (3), each agency shall submit to the legislature in the manner provided under
19 s. 13.172 (2) a report that describes the cost, since March 23, 2010, to that agency of
20 implementing the Patient Protection and Affordable Care Act and any moneys

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1 received from the federal government after March 23, 2010, that are related to
2 implementing the Patient Protection and Affordable Care Act.

3 **(3) SPECIFIC AGENCY REQUIREMENTS.** (a) In the report under sub. (2), the
4 department of health services shall include the average spending per recipient for
5 Medical Assistance programs, and the spending for Medical Assistance programs as
6 a percentage of the state budget, for that year and in an analysis of any change in
7 spending after March 23, 2010.

8 (b) In the report under sub. (2), the department of safety and professional
9 services shall include the number of physicians practicing in the state in that year
10 and in an analysis of any change in the number of physicians practicing after March
11 23, 2010.

12 (c) In the report under sub. (2), the office of the commissioner of insurance shall
13 include the number of insurance companies that offer health care plans, as defined
14 in s. 628.36 (2) (a) 1., in the state for that year and in an analysis of any change in
15 the number of insurers after March 23, 2010.

16 **SECTION 2.** 601.46 (3) (k) of the statutes is created to read:

17 601.46 **(3) (k)** A review of the effect the implementation of the Patient
18 Protection and Affordable Care Act, as defined in s. 20.9265 (1) (c), has on rates of
19 health care plans, as defined in s. 628.36 (2) (a) 1., whether offered inside or outside
20 of any health insurance exchange, that are not issued through a governmental body.
21 The review shall include the average rate for each health care plan.

22 **(END)**