



State of Wisconsin
2017 - 2018 LEGISLATURE

January 2017 Special Session

LRB-3139/1
TKK&TJD:all

ENGROSSED ASSEMBLY BILL 6

April 18, 2017 - Printed by direction of SENATE CHIEF CLERK.

1 **AN ACT** *to renumber and amend* 118.40 (3) (f) and 118.40 (3) (g) 2.; *to amend*
2 20.255 (2) (fp), 20.255 (2) (fq), 66.0137 (4), 118.40 (2x) (e) 1., 118.40 (2x) (e) 2.,
3 118.40 (3m) (c), 120.13 (2) (g), 185.983 (1) (intro.) and 632.87 (1); and *to create*
4 20.255 (2) (fq), 118.40 (2x) (cm), 118.40 (2x) (e) 1m., 118.40 (3) (f) 2., 118.40 (3o),
5 120.12 (26), 609.717 and 632.87 (4m) of the statutes; **relating to:** authorizing
6 the director of the Office of Educational Opportunity in the University of
7 Wisconsin System to contract for the operation of a recovery charter school,
8 insurance coverage of mental health treatment provided by a recovery charter
9 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

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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

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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:

1 **SECTION 1.** 20.255 (2) (fp) of the statutes is amended to read:

2 20.255 (2) (fp) *Charter schools; office of educational opportunity.* A sum
3 sufficient to make the payments to charter schools under s. 118.40 (2x) (e) 1.

4 **SECTION 2.** 20.255 (2) (fq) of the statutes is created to read:

5 20.255 (2) (fq) *Charter schools; office of educational opportunity recovery*
6 *charter schools.* A sum sufficient to make the payments to charter schools under s.
7 118.40 (2x) (e) 1m. and for the grant under 2017 Wisconsin Act (this act), section
8 21 (2).

9 **SECTION 3.** 20.255 (2) (fq) of the statutes, as affected by 2017 Wisconsin Act
10 (this act), is amended to read:

11 20.255 (2) (fq) *Charter schools; office of educational opportunity recovery*
12 *charter schools.* A sum sufficient to make the payments to charter schools under s.
13 118.40 (2x)(e) 1m. ~~and for the grant under 2017 Wisconsin Act (this act), section~~
14 ~~(21) (2).~~

15 **SECTION 4.** 66.0137 (4) of the statutes is amended to read:

16 66.0137 (4) **SELF-INSURED HEALTH PLANS.** If a city, including a 1st class city, or
17 a village provides health care benefits under its home rule power, or if a town
18 provides health care benefits, to its officers and employees on a self-insured basis,
19 the self-insured plan shall comply with ss. 49.493 (3) (d), 631.89, 631.90, 631.93 (2),

1 632.746 (10) (a) 2. and (b) 2., 632.747 (3), 632.798, 632.85, 632.853, 632.855, 632.867,
2 632.87 (4), ~~(5)~~, and to (6), 632.885, 632.89, 632.895 (9) to (17), 632.896, and 767.513
3 (4).

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

5 118.40 (2x) (cm) Notwithstanding par. (c), the director may enter into a
6 contract to establish, as a pilot project, only one recovery charter school, to be located
7 in this state and that operates only high school grades, if the term of the contract is
8 limited to 4 consecutive school years and the contract requires the charter school
9 operator to do all of the following:

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

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

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

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

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

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

23 4. Limit enrollment to no more than 15 pupils.

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1 5. Require, as a condition of continuing enrollment, that an applicant receive
2 counseling from substance use disorder or dependency counselors employed by the
3 charter school while enrolled in the charter school.

4 6. Establish the following policies for pupils attending the charter school:

5 a. Suspension and expulsion policies for pupils. The operator shall provide for
6 incremental and rehabilitative discipline in the policies under this subd. 6. a. The
7 operator shall model expulsion procedures on the procedures for expulsion under s.
8 120.13 (1) (c) 3.

9 b. That a pupil attending the charter school may elect to unenroll from the
10 charter school upon the completion of any treatment program required of the pupil.

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

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

16 118.40 (2x) (e) 1. Beginning in the 2016-17 school year, from the appropriation
17 under s. 20.255 (2) (fp), for each pupil attending a charter school established under
18 this subsection, other than the charter school established under par. (cm), the
19 department shall pay to the operator of a charter school established under this
20 subsection an amount equal to the per pupil amount paid to an operator of a charter
21 school under sub. (2r) (e) in that school year.

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

23 118.40 (2x) (e) 1m. Beginning in the 2017-18 school year, from the
24 appropriation under s. 20.255 (2) (fq), for each pupil attending the charter school
25 established under par. (cm), the department shall pay to the operator of the charter

1 school an amount equal to the per pupil amount paid to an operator of a charter
2 school under sub. (2r) (e) in that school year.

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

4 118.40 (2x) (e) 2. The department shall pay 25 percent of the total amount
5 required to be paid under this paragraph in September, 25 percent in December, 25
6 percent in February, and 25 percent in June. The department shall send the check
7 to the operator of the charter school.

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

10 118.40 (3) (f) 1. A contract with a school board, an entity under sub. (2r) (b) a.
11 to h., or the director under sub. (2x) may provide for the establishment of more than
12 one charter school, and, except as provided in subd. 2., a charter school governing
13 board may enter into more than one contract with a school board, an entity under
14 sub. (2r) (b), or the director under sub. (2x).

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

16 118.40 (3) (f) 2. The governing board of the charter school established under
17 a contract with the director under sub. (2x) (cm) may not enter into more than one
18 contract with the director.

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

21 118.40 (3) (g) 2. a. A charter school shall give preference in enrollment to pupils
22 who were enrolled in the charter school in the previous school year and

23 b. A charter school other than the charter school established under a contract
24 with the director under sub. (2x) (cm) shall give preference to siblings of pupils who
25 are enrolled in the charter school.

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1 **SECTION 13.** 118.40 (3m) (c) of the statutes is amended to read:

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

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

7 118.40 **(3o)** REPORT OF THE DIRECTOR TO THE DEPARTMENT OF HEALTH SERVICES.
8 The director shall, following the 3rd school year of the operation of the charter school
9 established under par. (cm), report, in writing, to the department of health services
10 on the operation and effectiveness of the charter school. The director shall include
11 in the report an evaluation of the effectiveness of the charter school on long-term
12 student recovery outcomes.

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

14 120.12 **(26)** ENROLLMENT OF PUPILS. For a pupil who is a resident of the school
15 district and who was enrolled in but has withdrawn from the recovery charter school
16 established under s. 118.40 (2x) (cm), do all of the following:

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

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

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

23 120.13 **(2)** (g) Every self-insured plan under par. (b) shall comply with ss.
24 49.493 (3) (d), 631.89, 631.90, 631.93 (2), 632.746 (10) (a) 2. and (b) 2., 632.747 (3),

1 632.798, 632.85, 632.853, 632.855, 632.867, 632.87 (4), ~~(5)~~, and to (6), 632.885,
2 632.89, 632.895 (9) to (17), 632.896, and 767.513 (4).

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

4 185.983 (1) (intro.) Every voluntary nonprofit health care plan operated by a
5 cooperative association organized under s. 185.981 shall be exempt from chs. 600 to
6 646, with the exception of ss. 601.04, 601.13, 601.31, 601.41, 601.42, 601.43, 601.44,
7 601.45, 611.26, 611.67, 619.04, 623.11, 623.12, 628.34 (10), 631.17, 631.89, 631.93,
8 631.95, 632.72 (2), 632.745 to 632.749, 632.775, 632.79, 632.795, 632.798, 632.85,
9 632.853, 632.855, 632.867, 632.87 (2), ~~(2m)~~, (3), (4), (5), and to (6), 632.885, 632.89,
10 632.895 (5) and (8) to (17), 632.896, and 632.897 (10) and chs. 609, 620, 630, 635, 645,
11 and 646, but the sponsoring association shall:

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

13 **609.717 Mental health services provided by a recovery charter school.**
14 Limited service health organizations, preferred provider plans, and defined network
15 plans are subject to s. 632.87 (4m).

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

17 632.87 (1) No insurer may refuse to provide or pay for benefits for health care
18 services provided by a licensed health care professional on the ground that the
19 services were not rendered by a physician as defined in s. 990.01 (28), unless the
20 contract clearly excludes services by such practitioners, but no contract or plan may
21 exclude services in violation of sub. (2), (2m), (3), (4), (4m), (5), or (6).

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

23 632.87 (4m) No policy, plan, or contract may exclude coverage for mental health
24 or behavioral health treatment or services provided by the charter school established
25 under a contract under s. 118.40 (2x) (cm), if the policy, plan, or contract covers the

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1 mental health or behavioral health treatment or services when provided by another
2 health care provider, as defined in s. 146.81 (1) (a) to (p). The operator of the charter
3 school established under a contract under s. 118.40 (2x) (cm) shall, upon the
4 enrollment of a pupil in the charter school, notify the policy, plan, or contract that
5 covers the pupil's mental health or behavioral health treatment or services of the
6 services that the policy, plan, or contract may be required to cover under this
7 subsection. If requested by a policy, plan, or contract, an operator of the charter
8 school established under a contract under s. 118.40 (2x) (cm) shall enter into a
9 memorandum of understanding with a policy, plan, or contract on matters other than
10 the coverage required under this subsection, including reimbursement, payment
11 terms, and compliance with state and federal patient health information privacy
12 laws.

13 **SECTION 21. Nonstatutory provisions.**

14 (1) SEEKING FEDERAL MONEYS; DEPARTMENT OF HEALTH SERVICES. During the
15 2017-19 fiscal biennium, the department of health services may seek and apply for
16 any federal moneys for the purpose of awarding a grant to the office of educational
17 opportunity in the University of Wisconsin System under section 36.64 of the
18 statutes for the operation of the charter school established under a contract under
19 section 118.40 (2x) (cm) of the statutes, and if federal moneys are received, may
20 award those moneys as a grant to the office of educational opportunity.

21 (2) OFFICE OF EDUCATIONAL OPPORTUNITY; START-UP FUNDING. From the
22 appropriation under section 20.255 (2) (fq) of the statutes, the state superintendent
23 may award a start-up grant of up to \$50,000 to the director of the office of educational
24 opportunity in the University of Wisconsin System under section 36.64 of the
25 statutes for the purpose of establishing a recovery charter school under section

1 118.40 (2x) (cm) of the statutes. The state superintendent may not award a grant
2 under this subsection unless the director of the office of educational opportunity
3 procures matching funds equal to the amount of the grant for the same purpose.

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

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

9 (2) The amendment of section 20.255 (2) (fq) of the statutes takes effect on July
10 1, 2018.

11 (END)