



State of Wisconsin
2017 - 2018 LEGISLATURE

LRB-3735/1
TJD:ahc

2017 ASSEMBLY BILL 410

June 29, 2017 - Introduced by Representatives JAGLER, R. BROOKS, HORLACHER, HUTTON, JACQUE, KNODL, QUINN, RIPP, SANFELIPPO, SPIROS and TUSLER, cosponsored by Senators KAPENGA, VUKMIR, CRAIG, STROEBEL and TIFFANY. Referred to Committee on Insurance.

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

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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

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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:

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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)