State of Wisconsin
2025 - 2026 LEGISLATURE

LRB-1677/1
JPC:amn

2025 ASSEMBLY BILL 338

July 8, 2025 - Introduced by Representatives VINING, ROE, DESANTO, MOORE OMOKUNDE, PALMERI, ANDERSON, ARNEY, BARE, BROWN, CLANCY, DESMIDT, EMERSON, FITZGERALD, GOODWIN, HAYWOOD, HONG, JOERS, JOHNSON, MADISON, MIRESSE, NEUBAUER, PHELPS, PRADO, RIVERA-WAGNER, SHEEHAN, SINICKI, STROUD, STUBBS, TENORIO and UDELL, cosponsored by Senators ROYS, L. JOHNSON, CARPENTER, DRAKE, HESSELBEIN, LARSON, PFAFF, RATCLIFF, SMITH and WIRCH. Referred to Committee on Insurance.

AUTHORS SUBJECT TO CHANGE

AN ACT ***to create*** 609.865 and 632.895 (12g) of the statutes; **relating to:** coverage of treatment for mental health or substance use disorders under health insurance policies and plans.

Analysis by the Legislative Reference Bureau

This bill requires health insurance policies and self-insured governmental health plans that provide coverage of mental health or behavioral health items or services to cover in each policy year at least 28 appointments or visits with a mental health care provider to treat mental health or substance use disorders or as many appointments or visits with a mental health care provider as are necessary to meet the insured's treatment goals. The bill prohibits health insurance policies and self-insured governmental health plans from requiring prior authorization for the coverage of appointments or visits under the bill. Health insurance policies are known as disability insurance policies in the bill. Further, this bill requires the Office of the Commissioner of Insurance to prepare a preliminary actuarial estimate of the average cost for all qualified health plans, as defined under federal law, attributable to the coverage required under the bill. If the preliminary actuarial estimate of the average cost for all qualified health plans is an increase of greater than 10 percent, OCI may not enforce the coverage requirements under the bill.

This proposal may contain a health insurance mandate requiring a social and financial impact report under s. 601.423, stats.

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

SECTION 1. 609.865 of the statutes is created to read:

609.865 Coverage of treatment for mental health or substance use disorders. Limited service health organizations, preferred provider plans, and defined network plans are subject to s. 632.895 (12g).

SECTION 2. 632.895 (12g) of the statutes is created to read:

632.895 **(12g)** TREATMENT OF MENTAL HEALTH OR SUBSTANCE USE DISORDERS. (a) Subject to par. (c), every disability insurance policy and self-insured health plan of the state or a county, city, village, town, or school district that provides coverage of mental health or behavioral health items or services shall provide in each policy year coverage of at least 28 appointments or visits with a mental health care provider to treat mental health or substance use disorders or as many appointments or visits with a mental health care provider as are necessary to meet the insured's treatment goals.

(b) No disability insurance policy or self-insured health plan that is required to provide the coverage under par. (a) may require prior authorization for the coverage under par. (a).

(c) 1. The office of the commissioner of insurance shall prepare a preliminary actuarial estimate of the average cost for all qualified health plans, as defined in 45 CFR 155.20, attributable to the coverage required under par. (a). The office of the commissioner of insurance shall prepare the preliminary actuarial estimate based

on an analysis performed in accordance with generally accepted actuarial principles and methodologies. The office of the commissioner of insurance may, in consultation with the federal centers for medicare and medicaid services, select factors and methodology as necessary to prepare the preliminary actuarial estimate under this subdivision.

2. If the preliminary actuarial estimate of the average cost for all qualified health plans described under subd. 1. is an increase of greater than 10 percent, the office of the commissioner of insurance may not enforce par. (a).

SECTION 3. Initial applicability.

(1) For policies and plans containing provisions inconsistent with s. 632.895 (12g), the treatment of s. 632.895 (12g) first applies to policy or plan years beginning on the effective date of this subsection, except as provided in sub. (2).

(2) For policies and plans that are affected by a collective bargaining agreement containing provisions inconsistent with s. 632.895 (12g), the treatment of s. 632.895 (12g) first applies to policy or plan years beginning on the effective date of this subsection or on the day on which the collective bargaining agreement is newly established, extended, modified, or renewed, whichever is later.

SECTION 4. Effective date.

(1) This act takes effect on the first day of the 4th month beginning after publication.

(END)