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Department of Employee Trust Funds

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## CORRESPONDENCE MEMORANDUM

**DATE:** March 31, 2004  
**TO:** Group Insurance Board  
**FROM:** Vicki Poole, Director of Legislation and Planning  
**SUBJECT:** Legislative Update

The following is an update of bills introduced during the 2003 legislative session that have the potential to impact the operations of the Group Insurance Board (GIB). Actions taken are listed in *italics* following a description of each bill.

Please note that SB 71 and SB 362 were passed by the legislature. We do not anticipate that either bill will significantly affect Board operations. Since the legislature is no longer in session, all other bills are dead. Any bill on this list not signed into law would need to be reintroduced in the next session, beginning January 2005, to have any further action.

**AB 304** makes several changes to health insurance plans and other benefits offered to local government employees. Specifically related to the GIB, it requires the GIB to prepare a report on offering group health insurance plans at different cost levels to local government employers and employees, requires the GIB to offer for purchase long-term care insurance policies to employees of local governments, and convenes a task force to conduct a feasibility study on forming a state pool for the bulk purchasing of prescription drugs.

*Introduced by Rep. McCormick. Referred to Committee on Insurance. Public hearing held 6/05/03.*

**AB 312** allows individuals not otherwise eligible for health care coverage under a GIB plan to receive coverage under any health care coverage plan offered to state employees by paying to the Department of Employee Trust Funds the cost of premiums.

*Introduced by Rep. Ainsworth. Referred to Committee on Insurance. Public hearing held 7/17/03.*

**AB 313** (Same as SB 202) allows the purchase of health care coverage through the GIB by individuals who are engaged in the business of farming.

*Introduced by Rep. Towns. Referred to Committee on Insurance. Public hearing held 7/17/03.*

Reviewed and approved by Pamela Henning, Office of Strategic Services

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Signature

\_\_\_\_\_  
Date

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**AB 355** creates a prescription drug assistance program to help people without health insurance drug coverage purchase prescription drugs at prices established by the Department of Health and Family Services (DHFS) after negotiations with manufacturers. Requires DHFS to create two preferred drug lists. One would be for state supported health assistance programs and one for health care plans provided to government employees and private sector employees.

*Introduced by Rep. Underheim. Referred to Committee on Health. Public hearing held 5/27/03.*

**AB 362** provides health insurance coverage of prescription medication for the treatment of diabetes.

*Introduced by Rep. Johnsrud. Referred to Committee on Insurance. Public hearing held. Passed committee 9-5 on 9/25/03.*

**AB 364** creates required coverage of off-label drugs for the treatment of cancer.

*Introduced by Rep. Vrakas. Referred to Committee on Insurance. Public hearing held 7/17/03.*

**AB 579** requires health care plans to cover the cost of vaccinations against small pox, anthrax, and any other disease or biological malfunction including death, that is caused by a biological agent having the potential for use in terrorist attacks.

*Introduced by Rep. Schneider. Referred to Committee on Insurance 10/15/03.*

**AB 674** allows payment of health insurance premiums for certain annuitants under the WRS who become employed by the state.

*Introduced by Rep. Jeskewitz. Referred to Committee on Insurance. Public hearing held. Passed committee w/substitute amendment 8-6 on 1/15/04.*

**AB 690** allows any provider to participate in a health care plan under the terms of the plan, requires an annual period for providers to elect to participate in health care plans, and requires notice to a provider of the reason for exclusion from a health care plan.

*Introduced by Rep. Berceau. Referred to Committee on Insurance 12/05/03.*

**AB 721** (Same as SB 362) allows supplemental credits for purchase of health insurance for dependents of state employees who die while employed by the state.

*Introduced by the Joint Committee on Employment Relations 1/05/04.*

**AB 960** provides that beginning on the January 1 that first occurs after the bill's effective date, the GIB may permit any private sector employer located in this state who employs at least two individuals to elect to have its employees receive coverage under any health care coverage plan offered to state or local government employees.

*Introduced by Rep. Krug. Referred to Committee on Rules 3/11/04.*

**AB 939** (Same as SB 536) requires the Group Insurance Board, beginning on January 1, 2005, to offer a health care coverage option to state employees that consists of a high-deductible plan and the establishment of a health savings account.

*Introduced by Rep. Ladwig. Referred to Joint Committee on Finance 3/08/04.*

**SB 71** covers treatment of prescription drug costs, diagnostic testing, and payments under mandated insurance coverage of treatment for nervous and mental disorders and alcohol and other drug abuse (AODA) problems.

*Introduced by Joint Legislative Council. Referred to Committee on Health, Children, Families, Aging and Long Term Care. Public hearing held. Passed committee 8-1. Passed Senate 29-4. Assembly concurred 3/11/04. Sent to Governor for signature at time of printing this report.*

**SB 72** increases limits for insurance coverage of nervous or mental health disorders or AODA problems to account for increases in inflation.

*Introduced by Joint Legislative Council. Referred to Committee on Health, Children, Families, Aging and Long Term Care. Public hearing held. Passed committee 5-4 on 9/15/03.*

**SB 202** (Same as AB 313) allows the purchase of health care coverage through the GIB for individuals who are engaged in the business of farming.

*Introduced by Sen. Leibham. Referred to Committee on Agriculture, Financial Institutions and Insurance. Public hearing held. Passed committee unanimously. Referred to Joint Committee on Finance 10/22/03.*

**SB 278** creates a special committee, called the Commission on Municipal Employer Health Care Coverage Costs (MEHCC) to study the feasibility of allowing all local government and school district employers to provide their employees with health insurance coverage under the health care coverage plan for state employees that is administered by the GIB and must report its findings and recommendations to the Governor and the legislature no later than December 31, 2004.

*Introduced by Sen. Plale. Referred to the Joint Committee on Finance; withdrawn 11/05/03.*

**SB 362** (Same as AB 721) allows supplemental credits for purchase of health insurance for dependents of state employees who die while employed by the state.

*Introduced by the Joint Committee on Employment Relations. Passed Senate 30-3. Passed Assembly 95-1 on 1/20/04. Signed by Governor. **2003 WI ACT 117***

**SB 536** (Same as AB 939) requires the GIB, beginning on January 1, 2005, to offer a health care coverage option to state employees that consists of a high-deductible plan and the establishment of a health savings account.

*Introduced by Senator Darling. Referred to Joint Committee on Finance 3/09/04.*