



STATE OF WISCONSIN
Department of Employee Trust Funds
 A. John Voelker
 SECRETARY

Wisconsin Department
 of Employee Trust Funds
 PO Box 7931
 Madison WI 53707-7931
 1-877-533-5020 (toll free)
 Fax 608-267-4549
 etf.wi.gov

Correspondence Memorandum

Date: September 13, 2021
To: Employee Trust Funds Board
From: Tarna Hunter, Government Relations Director
Subject: Legislative Update

This memo is for informational purposes only. No Board action is required.

Proposed Legislation

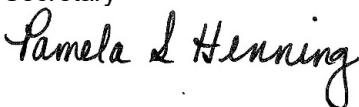
[2021 SB 367](#) and [2021 AB 373](#) allow an annuitant who was a law enforcement officer or fire fighter to return to work with an employer who participates in the WRS, work two-thirds of full-time, and elect to not become a participating employee for purposes of the WRS, and instead continue to receive his or her annuity.

2021 SB 367 was introduced by Sen. Jacque and referred to the Senate Committee on Labor and Regulatory Reform.

[2021 SB 374](#) and [2021 AB 376](#) make a number of changes to Wisconsin's regional structural collapse team contracted with the Division of Emergency Management in the Department of Military Affairs (DMA). The bill changes the team's designation from being a structural collapse team to an urban search and rescue task force and expands the disaster incidents that the team responds to. Currently, the team is comprised of local government firefighters and other technical specialists.

The bill allows DMA to reimburse a local employer for any increase in contributions for duty disability premiums because an employee incurred an injury while performing duties as a member of an urban search and rescue task force.

2021 SB 374 was introduced by Sen. Ballweg and referred to the Senate Committee on Veterans and Military Affairs and Constitution and Federalism. 2021 AB 376 was introduced by Rep. Loudonbeck and referred to the Assembly Committee on State Affairs.

Reviewed and approved by Pam Henning, Assistant Deputy Secretary

 Electronically Signed 09/13/21

Board	Mtg Date	Item #
ETF	09.16.21	6A2
BUD	09.16.21	5b

On September 1, 2021, the Senate Committee on Veterans and Military Affairs and Constitution and Federalism held a public hearing on 2021 SB 374. Also, on September 8, 2021, the Assembly Committee on State Affairs held a public hearing on 2021 AB 376.

[2021 SB 498](#) provides an income tax exemption for WRS pension payments received by WRS protective occupation participants, correctional officers, county jailers and frontline workers. The bill defines “frontline worker” to mean an individual who was a state, county, or municipal employee with regular job duties that, as determined by the Employment Relations Commission in consultation with the Department of Revenue, included interacting with members of the public or with large populations of people or directly involved the maintenance of public works.

Under the bill, 25 percent of the pension payment received in 2021 is exempt; 50 percent of the payment received in 2022 is exempt; 75 percent of the payment received in 2023 is exempt; and 100 percent of the payment received in 2024 and thereafter is exempt. The bill provides that the amount exempted may not exceed the portion of the pension payment that is attributable to the period of time during which the individual was a protective occupation participant or frontline worker.

COVID-19 Related Legislation

[2021 AB 1](#) includes the following provisions related ETF’s benefit programs:

WRS Return-to-Work

- Allows a WRS annuitant who is hired for a critical position during the period beginning on the effective date of the bill to return to work and elect to not suspend their annuity for the duration of the public health emergency. The employee may not have an agreement with any WRS employer to return to work or enter into a contract to provide employee services for the employer. Additionally, the bill reduces the break-in-service requirement from 75 days to 15 days for a WRS annuitant who is hired for a critical position during the public health emergency beginning on the effective date of the bill. The provision ends on June 30, 2021.

Health Insurance

- **Cost Sharing** – Requires health plans to provide coverage of testing, treatment and vaccines of COVID-19 without imposing any copayment or coinsurance before June 30, 2021.
- **Prescription Drugs Coverage** – Prohibits requiring prior authorization for early refills of a prescription drug or otherwise restricting the period of time in which a

prescription drug may be refilled and from imposing a limit on the quantity of prescription drugs that may be obtained if the quantity is no more than a 90-day supply. These prohibitions do not apply if the prescription drug is a controlled substance. The provision applies through June 30, 2021.

- **Out-of-Network Costs** – Prohibits health plans from requiring a member to pay more for a service, treatment, or supply provided by an out-of-network provider than the member would have to pay if the services were provided in-network. This prohibition applies to services received related to COVID-19 and applies if the member saw an out-of-network provider because a participating provider was not available. The prohibition is applicable until the conclusion of a national emergency declared by the U.S. President in response to COVID-19 or until June 30, 2021, whichever is earlier.

2021 AB 1 was introduced by Speaker Vos and referred to the Assembly Committee on Health. The bill was amended multiple times and sent to the Governor for his signature. On February 5, 2021, the Governor vetoed the bill.

[2021 AB 31](#) includes the following provisions related to ETF's benefit programs:

WRS Return-to-Work

- Allows a WRS annuitant who is hired for a critical position during the period beginning on the effective date of the bill to return to work and elect to not suspend their annuity for the duration of the public health emergency. The employee may not have an agreement with any WRS employer to return to work or enter into a contract to provide employee services for the employer. Additionally, the bill reduces the break-in-service requirement from 75 days to 15 days for a WRS annuitant who is hired for a critical position during the public health emergency beginning on the effective date of the bill. The provision ends on December 31, 2021.

Health Insurance

- **Cost Sharing** – Requires coverage of testing, treatment and vaccinations relating to COVID-19 without imposing any copayment or coinsurance before December 31, 2021.
- **Prescription Drugs Coverage** – Prohibits health plans from requiring prior authorization for early refills of a prescription drug or otherwise restricting the period of time in which a prescription drug may be refilled and from imposing a limit on the quantity of prescription drugs that may be obtained if the quantity is no more than a 90-day supply. These prohibitions do not apply if the prescription drug is a controlled substance. The provision applies through December 31, 2021.

- **Out-of-Network Costs** – Prohibits health plans from requiring a member to pay more for a service, treatment, or supply provided by an out-of-network provider than the member would have to pay if the services were provided in-network. This prohibition applies to services received related to COVID-19 and applies if the member saw an out-of-network provider because a participating provider was not available. The provision applies through December 31, 2021.
- **Healthcare Worker Cost Sharing** – Requires health plans cover frontline health care workers who have been diagnosed with or is under investigation of having COVID-19 or any other communicable disease without imposing any copayment or coinsurance. For purposes of required insurance coverage, the treatment that must be covered is any treatment that is medically necessary and reasonably related to COVID-19 or any other communicable disease or complications from COVID-19 or other communicable disease.
- **Telehealth Coverage** – Prohibits a health insurance policy or a self-insured health plan of the state or a county, city, village, town, or school district from denying coverage for a treatment or service provided through telehealth if that treatment or service is covered under the policy or plan when provided in person by a health care provider. This prohibition applies through December 31, 2021.

2021 AB 31 was introduced by Rep. Hintz and referred to the Assembly Committee on Health.

[2021 SB 146](#) allows a WRS annuitant who is hired for a critical position during the period beginning on the effective date of the bill to return to work and elect to not suspend their annuity. The employee may not have an agreement with any WRS employer to return to work or enter into a contract to provide employee services for the employer. Additionally, the bill reduces the break-in-service requirement from 75 days to 15 days for a WRS annuitant who is hired for a critical position during the public health emergency beginning on the effective date of the bill. The provision ends when the national emergency declared by the U.S. president in response to the 2019 novel coronavirus ends or June 30, 2021, whichever is earlier.

2021 SB 146 was introduced by Sen. Bewley and referred to the Senate Committee on Government Operations, Legal Review and Consumer Protection.

I will be available at the September 16, 2021, Board meeting to answer any questions.