



STATE OF WISCONSIN
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CORRESPONDENCE MEMORANDUM

DATE: August 3, 2011
TO: Group Insurance Board
FROM: Shawn Smith, Director
Office of Communications and Legislation
SUBJECT: Legislative Report

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

Since the last Group Insurance Board (Board) meeting in June, action has been taken on several legislative initiatives that impact the group health plans administered by the Board.

Wisconsin Act 32: Biennial Budget

The final action on the budget made no significant changes to the health plan-related provisions discussed with the Board in June – with one exception: the Governor vetoed the provision which would have mandated the availability of an online marketplace for the purchase of prescription drugs by January 1, 2012. The Department of Employee Trust Funds (Department) advised the Governor that this provision would be nearly impossible to implement, given the Department's responsibility to complete contract negotiations at the August meeting.

Updates on Bills Discussed in June

Assembly Bill 127 proposes changes to the collective bargaining rights of public safety employees under the Municipal Employment Relations Act (MERA) so that an employer is not required to bargain over the selection of health care coverage plans, including the option for an employer to offer a health savings account.

The bill also prohibits bargaining over the employer share of premium costs as long as the employer share is at least 75% (or 90% if the plan is a health savings account). There has been no significant legislative activity on this bill since the June meeting.

Reviewed and approved by Rhonda Dunn, Executive Assistant.
Rhonda Dunn 8-11-11
Signature Date

Board	Mtg Date	Item #
GIB	8.23.11	10C

Assembly Joint Resolution 28/Senate Joint Resolution 21 is a proposed constitutional amendment that affirms, "the right of the people to contract privately for health care services and health care coverage, and prohibiting requiring a person to obtain or maintain health insurance coverage or to participate in any health care system or plan." There has been no significant legislative activity on this resolution since the June meeting.

Assembly Bill 27/Senate Bill 18 requires political subdivisions to pay health insurance premiums for survivors of a law enforcement officer who dies, or has died, in the line of duty. This bill passed the Senate unanimously in May and several co-sponsors have been added to the bill. It has been referred to the Assembly Urban and Local Affairs Committee.

New Items Introduced

Assembly Bill 151/Senate Bill 101 prohibits health plans from requiring higher co-pays, deductibles or coinsurance for oral chemotherapy than is required for injected or intravenous chemotherapy. This bill is in committee in the Assembly and Senate and the Department produced a fiscal estimate for the bill.

Senate Bill 153 would permit governmental employers who are not participating members of the Wisconsin Retirement System to be covered in the local government health insurance plan offered by the Board. This bill is in committee.

Assembly Bill 210 incorporates the health insurance coverage requirements of the federal Patient Protection and Affordable Care Act (PPACA) into the Wisconsin statutes. The Department has been asked to complete a fiscal estimate for this bill.

I will attend the Board meeting to answer any questions you may have.