



STATE OF WISCONSIN
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CORRESPONDENCE MEMORANDUM

DATE: December 21, 2015
TO: Group Insurance Board
FROM: Tarna Hunter, Legislative Liaison
SUBJECT: Legislative Update

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

This memorandum provides information on pertinent legislative issues to the Group Insurance Board (Board).

The following legislation, introduced this session, impact the Board or the programs it oversees.

Legislation Recently Passed

2015 Act 119 provides that the Board, in consultation with the Division of Personnel Management in the Department of Administration, notify the Joint Committee on Finance (JCF) through a 21-day passive review if it intends to execute a contract to provide self-insured group health plans on a regional or statewide basis. If the co-chairpersons of the JCF do not notify the Board that the JCF has scheduled a meeting for the purpose of approving the execution of the contract within 21 working days after the date of the Board's notification, the Board may execute the contract. If, within 21 working days after the date of the Board's notification, the co-chairpersons of the JCF notify the Board that the JCF has scheduled a meeting for the purpose of approving the execution of the contract, the Board may not execute the contract without the approval of the JCF. The effective date of 2015 Act 119 is December 18, 2015.

Affordable Care Act's "Cadillac Tax" Delayed. On December 18, 2015 President Obama signed the Consolidated Appropriations Act (Act) which delays the onset of the Affordable Care Act's "Cadillac Tax" by two years. Now, it will not start until 2020. In addition, the Act requires the controller general to study the suitable benchmarks for age and gender adjustments to the tax.

Reviewed and approved by Robert J. Conlin, Secretary

Electronically Signed: 12/23/15

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Other Pending Legislation

2015 AB 361 and **2015 SB 278** would require the Board, beginning on January 1, 2018, to make the optional insurance plans available to local government employers. The local government employers that participate in the program must establish payroll deductions for the employees to pay the premiums.

2015 AB 361 was introduced by Rep. Steffen and referred to the Committee on Urban and Local Affairs. 2015 SB 278 was introduced by Sen. Kapenga and referred to the Committee on Elections and Local Government.

The Assembly Committee on Urban and Local Affairs held a public hearing and an executive session on 2015 AB 361. The committee passed the bill 9-0. The Senate Committee on Elections and Local Government held a public hearing on 2015 SB 278.

Staff will be available at the January 7, 2016 Board meeting to answer questions.