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Correspondence Memorandum

Date: May 6, 2016
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.

End of Regular Legislative Session

The 2015 Regular Session of the Wisconsin Legislature came to a close as the State Senate adjourned in March. Three laws were enacted that affect the Board or the programs it oversees.

2015 Session – New Laws

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.

Reviewed and approved by Pam Henning, Assistant Deputy
Secretary

Pamela L Henning

Electronically Signed: 5/6/16

Board	Mtg Date	Item #
GIB	5.18.16	6B

Other Proposed Legislation

The following bills were introduced this session, but were not passed by the full Legislature. It is unlikely the bills will be considered in a special or extraordinary session. The legislation will need to be reintroduced next session if the legislature intends to take action on them.

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 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.

2015 AB 460 and **2015 SB 322** make changes to the resolution of claims against the state for wrongful imprisonment of innocent persons. One of the changes would permit individuals who receive compensation from the state for wrongful imprisonment to elect, for up to ten years, health care coverage under plans offered by the Group Insurance Board to state employees beginning on January 1, 2017. Under the bill, these individuals would be required to pay the same health insurance premium amounts that state employees are required to pay, with the balance of the premiums cost paid by the state. The bill creates an appropriation.

The bill was amended to limit health care coverage to the length of time that an individual was wrongfully imprisoned or five years, whichever is shorter. In addition, the amendment specifies that an individual is not eligible for the health insurance coverage if the person is eligible to obtain health care coverage offered by his or her employer or by the employer of his or her spouse. An amendment also exempted the value of the portion of health insurance premiums paid by the state to such individuals from state income taxes.

2015 AB 460 was introduced by Rep. Kooyenga and referred to the Committee on State Affairs and Government Operations. 2015 SB 322 was introduced by Sen. Wanggaard and referred to the Committee on Judiciary and Public Safety.

In early February, the Assembly passed the bill 98-0. On February 16, the Senate was scheduled to vote on the bill. The Senate did not hold a vote and instead referred it to the Joint Committee on Finance.

Staff will be available at the May 18, 2016 Board meeting to answer questions.