

STATE OF WISCONSIN Department of Employee Trust Funds Robert J. Conlin 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: April 30, 2018

- To: Group Insurance Board
- From: Tarna Hunter, Legislative Liaison
- Subject: Legislative Update

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

The 2017 Regular Session of the Wisconsin Legislature ended when the State Senate adjourned on March 20. Three bills have been signed into law that affect the Department of Employee Trust Funds and the benefit programs it administers.

2017 Session – Laws Enacted

2017 Act 191 prohibits the Group Insurance Board from contracting for or providing abortion services, except in certain situations such as medical emergencies, danger to the long-term health of the pregnant woman, or in cases of sexual assault or incest. This law change first applies to contracts for group health insurance plans that are entered into, extended, modified or renewed on April 5, 2018.

<u>2017 Act 305</u> requires the Group Insurance Board to cover refills of prescription eye drops that 1) are allowed under the prescription; 2) do not exceed the prescribed number of refills; and 3) are requested by the insured or plan participant when 75 percent or more of the days have elapsed from the later of the original distribution date or the date of the most recent refill. This law takes effect on August 1, 2018.

<u>2017 Act 362</u> makes the following remedial changes recommended by ETF. The changes clarify current law or codify current practice. These technical changes may

Reviewed a	and approved by Par	n Henning, Assistant Deputy
Secretary		
Jamela	I Henning	Electronically Signed 4/30/18

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require minor modifications to procedures and forms for members and employers, but do not make substantive changes.

- Clarifies the current waiting period is 180 calendar days for the employer's share of income continuation insurance premiums for certain teachers employed by the University of Wisconsin System.
- Clarifies 2011 Act 32 changes to eligibility rules for Wisconsin Retirement System participating employees.
- Clarifies that protective occupation employees who have attained age 50 and who are part-time elected officials may choose to waive WRS participation.
- Eliminates from statutes a requirement under the WRS that a retirement application that specifies an annuity date later than 60 days after receipt by ETF will not be accepted, unless the member is at an age where a required minimum distribution is due.
- Eliminates from statutes the requirement that a form to cancel life insurance takes effect at the end of the calendar month that begins after the form is received from an insured employee.

Other Proposed Legislation

The following bills were introduced this session but not passed by the full Legislature. The bills are likely "dead" and – except in the unlikely event they are considered in a special or extraordinary session – will need to be reintroduced next session if the Legislature intends to take action on it.

2017 SB 456 and **2017 AB 548** 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 and are not eligible to obtain health care coverage from an employer to elect, for up to five years, health care coverage under plans offered by the Group Insurance Board to state employees beginning on January 1, 2019. 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 exempts the value of the portion of health insurance premiums paid by the state to such individuals from state income taxes. The bill also creates an appropriation to pay the state's portion of the health premiums.

2017 AB 548 was introduced by Rep. Kooyenga and referred to the Assembly Committee on State Affairs. 2017 SB 456 was introduced by Sen. Wanggaard and referred to the Senate Committee on Judiciary and Public Safety.

On December 20 the Assembly Committee on State Affairs held a public hearing and on January 3 unanimously passed Assembly Substitute Amendment 1. The bills were referred to the Joint Committee on Finance.

Staff will be available at the May 16, 2018, board meeting to answer questions.