

STATE OF WISCONSIN Department of Employee Trust Funds

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Correspondence Memorandum

Date: February 19, 2024

To: Group Insurance Board

From: Tarna Hunter, Director

Office of Budget and Management

Subject: Legislative Update

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

Enacted Legislation

<u>2023 Wisconsin Act 91</u> allows insured individuals to choose whether they would like their insurer to pay their dental care provider directly or pay the bill themselves and be reimbursed by the insurer.

2023 Act 91 is effective September 1, 2024.

Proposed Legislation

<u>2023 SB 100</u> and <u>2023 AB 103</u> require health insurance policies that offer prescription drug benefits to apply amounts paid by or on behalf of an individual covered under the policy or plan for brand name prescription drugs to any cost-sharing requirement or to any calculation of an out-of-pocket maximum amount of the policy or plan.

2023 SB 100 was introduced by Sen. Jacque and referred to the Senate Committee on Insurance and Small Business. 2023 AB 103 was introduced by Rep. Tittl and referred to the Assembly Committee on Health, Aging and Long-Term Care.

2023 SB 121 and 2023 AB 117 require health insurance policies to provide coverage for supplemental breast screening examinations or diagnostic breast examinations for an individual who is at increased risk of breast cancer. Additionally, health insurance policies may not charge a cost-sharing amount for a supplemental breast screening examination or diagnostic breast examination.

Pamela L Henning

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2023 SB 121 was introduced by Sen. Cabral-Guevara and referred to the Senate Committee on Health. 2023 AB 117 was introduced by Rep. Gustafson and referred to the Assembly Committee on Health, Aging and Long-Term Care.

On January 4, 2024, Sen. Cabral-Guevara offered Senate Amendment 1, which limits the types of technology that must be covered for diagnostic and supplemental breast screening examinations only to breast ultrasounds. On January 17, 2024, the Assembly Committee on Health, Aging and Long-Term Care recommended adoption of the amendment and passage of the bill, as amended, on a vote of 14-0. On January 18, 2024, the Senate Committee on Health recommended adoption of the amendment and passage of the bill, as amended, on a vote of 6-0. No further action has been taken.

<u>2023 SB 152</u> and <u>2023 AB 159</u> include the following requirements and limitations on health insurance coverage in the event the federal Patient Protection and Affordable Care Act no longer preempts state law on the topic:

- Health plans must accept every individual in this state who applies for coverage, regardless of whether any individual or employee has a preexisting condition.
- A health plan offered on the individual or small employer market or a self-insured governmental health plan may not vary premium rates for a specific plan on any basis except age, tobacco use, area in the state, and whether the plan covers an individual or a family.
- A health benefit plan or a self-insured governmental health plan may not impose a preexisting condition exclusion.
- A health benefit plan or a self-insured governmental health plan is prohibited from imposing an annual or lifetime limit on the dollar value of benefits under the plan.
- The Affordable Care Act exempts certain plans from complying with the act's provisions. Similarly, any health benefit plan that is exempt from a provision of the Affordable Care Act is exempt from complying with the corresponding provision of this bill.

2023 SB 152 was introduced by Sen. Jacque and referred to the Senate Committee on Insurance and Small Business. 2023 AB 159 was introduced by Rep. Magnafici and referred to the Assembly Committee on Insurance.

<u>2023 SB 341</u> and <u>2023 AB 340</u> require health insurance plans to cover maternity and newborn care, as specified by the commissioner of insurance by rule. The bill specifies a list of requirements that the commissioner must follow when establishing the maternity and newborn care benefit, including certain limitations on cost sharing.

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2023 SB 341 was introduced by Sen. Roys and referred to the Senate Committee on Insurance and Small Business. 2023 AB 340 was introduced by Rep. Vining and referred to the Assembly Committee on Health, Aging and Long-Term Care.

2023 SB 492 and 2023 AB 519 require municipal employers to offer a health insurance plan that is offered by the Group Insurance Board to eligible employees of a school district.

2023 SB 492 was introduced by Sen. Johnson and referred to Senate Committee on Education. 2023 AB 519 was introduced by Rep. Considine and referred to the Assembly Committee on Insurance.

<u>2023 SB 574</u> and <u>2023 AB 584</u> prohibit health insurance policies and governmental self-insured health plans that cover insulin and impose cost sharing on prescription drugs from imposing cost sharing on insulin in an amount that exceeds \$35 for a one-month supply.

2023 SB 574 was introduced by Sen. Pfaff and referred to the Senate Committee on Insurance and Small Business. 2023 AB 584 was introduced by Rep. Anderson and referred to the Assembly Committee on Insurance.

2023 SB 645 includes the following provisions related to clinical trials:

- Requires health insurance plans cover out-of-network care related to clinical trials for cancer or another life-threatening condition.
- Requires health insurance plans to impose the same cost-sharing requirements for a given item or service from an out-of-network provider as would apply for innetwork providers and pay the provider for the difference between the total cost and the cost-sharing amount.
- Prohibits health insurance policies from discriminating against any individual based on the individual's participation in an approved clinical trial.

2023 SB 645 was introduced by Sen. Jacque and referred to the Senate Committee on Insurance and Small Business.

2023 SB 723 and 2023 AB 766 require health insurance policies and self-insured governmental health plans to cover diagnosis of and treatment for infertility and standard fertility preservation services. Coverage must include at least four completed egg retrievals with unlimited embryo transfers in accordance with certain guidelines and single embryo transfer is allowed when recommended and medically appropriate.

2023 SB 723 was introduced by Sen. Roys and referred to the Senate Committee on Insurance and Small Business. 2023 AB 766 was introduced by Rep. Emerson and referred to the Assembly Committee on Insurance.

<u>2023 SB 737</u> and <u>2023 AB 773</u> include the following provisions related to the regulation of pharmacy benefit managers (PBM) and their interactions with pharmacies and pharmacists which may impact the Group Health Insurance Program:

- Changes to the regulation of prescription drug charges and choice of providers.
- Provides that a PBM owes a fiduciary duty to a health plan.
- Changes with respect to drug formularies, including limiting changes and providing more transparency.
- Restricts the PBM from collecting fees from pharmacies.
- Provides pharmacies may join preferred or non-preferred networks.
- Restricts requiring the use of mail order pharmacies.
- Prohibits copay accumulator programs for drugs that do not have a generic alternative.
- Prohibits a PBM from retaliating against a pharmacy or pharmacist for reporting an alleged violation of certain laws.
- Prohibits a PBM from taking certain actions with respect to 340B covered entities.
- Makes several changes to audits of pharmacists and pharmacies.

2023 SB 737 was introduced by Sen. Felzkowski and referred to the Senate Committee on Insurance and Small Business. 2023 AB 773 was introduced by Rep. Schraa and referred to the Assembly Committee on Health, Aging and Long-Term Care. On February 14, 2024, the Assembly Committee on Health, Aging and Long-Term Care held a public hearing.

2023 SB 743 and 2023 AB 784 require defined network plans and self-insured governmental plans that cover benefits or services provided in either an emergency department of a hospital or independent freestanding emergency department to cover emergency medical services without requiring a prior authorization determination and without regard to whether the health care provider providing the emergency medical services is a participating provider or facility.

2023 SB 743 was introduced by Sen. Smith and referred to the Senate Committee on Insurance and Small Business. 2023 AB 784 was introduced by Rep. Anderson and referred to the Assembly Committee on Insurance.

<u>2023 AB 789</u> requires defined network plans or preferred provider plans to make available a current directory of health care providers in the plan's network of providers to anyone considering enrollment in the plan and to the plan's enrollees at least annually.

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2023 AB 789 was introduced by Rep. Anderson and referred to the Assembly Committee on Insurance.

<u>2023 AB 790</u> requires health insurance policies and governmental self-insured health plans to cover tests and ancillary procedures needed to provide a product or service that the policy or plan is required to cover under state law.

2023 AB 790 was introduced by Rep. Anderson and referred to the Assembly Committee on Insurance.

<u>2023 SB 935</u> and <u>2023 AB 1044</u> prevent health care insurance policies and self-insured governmental health plans that covers medically necessary epinephrine auto-injectors from imposing cost sharing in an amount that exceeds \$60 for a twin-pack of epinephrine auto-injectors, regardless of the type of epinephrine auto-injector.

2023 SB 935 was introduced by Sen. Hesselbein and referred to the Senate Committee on Insurance and Small Business. 2023 AB 1044 was introduced by Rep. Subeck and referred to the Assembly Committee on Insurance.

The Legislature is wrapping up their work for this session. The Assembly's last session day is expected to be Thursday, February 22 and the Senate is planning on holding their last session day during the March 12-14 floor period. We will continue to monitor and provide updates as warranted.

Staff will be at the Board meeting to answer any questions.