



**ASSEMBLY AMENDMENT 34,  
TO ASSEMBLY SUBSTITUTE AMENDMENT 1,  
TO 2005 ASSEMBLY BILL 100**

June 21, 2005 – Offered by Representative COLON.

- 1           At the locations indicated, amend the substitute amendment as follows:
- 2           **1.** Page 82, line 4: delete lines 4 and 5.
- 3           **2.** Page 169, line 23: delete “3,535,500” and substitute “6,821,900”.
- 4           **3.** Page 169, line 23: delete “-0-” and substitute “7,076,600”.
- 5           **4.** Page 170, line 1: delete “75,649,500” and substitute “146,321,300”.
- 6           **5.** Page 170, line 1: delete “-0-” and substitute “175,169,700”.
- 7           **6.** Page 254, line 5: delete lines 5 to 8.
- 8           **7.** Page 291, line 7: delete lines 7 and 8.
- 9           **8.** Page 349, line 21: delete that line.
- 10          **9.** Page 354, line 16: delete lines 16 to 23.
- 11          **10.** Page 563, line 18: delete lines 18 to 20.

1           **11.** Page 616, line 3: delete lines 3 to 5.

2           **12.** Page 681, line 14: delete lines 14 to 17.

3           **13.** Page 800, line 8: delete the material beginning with that line and ending  
4 with page 812, line 21, and substitute:

5           “**SECTION 2033d.** 149.12 (2) (f) of the statutes is renumbered 149.12 (2) (f) 1.  
6 and amended to read:

7           149.12 (2) (f) 1. No Except as provided in subd. 2., no person who is eligible for  
8 medical assistance is eligible for coverage under the plan.

9           **SECTION 2034d.** 149.12 (2) (f) 2. of the statutes is created to read:

10           149.12 (2) (f) 2. Subdivision 1. does not apply to a person who is eligible for only  
11 any of the following types of medical assistance:

12           a. Family planning services under s. 49.45 (24r).

13           b. Care and services for the treatment of an emergency medical condition under  
14 42 USC 1396b (v), as provided in s. 49.45 (27).

15           c. Medical assistance under s. 49.46 (1) (a) 15.

16           d. Ambulatory prenatal care under s. 49.465.

17           e. Medicare premium, coinsurance, and deductible payments under s. 49.46 (2)  
18 (c) 2. or 3., 49.468 (1) (b) or (c), or 49.47 (6) (a) 6. b. or c.

19           f. Medicare premium payments under s. 49.46 (2) (cm), 49.468 (1m) or (2), or  
20 49.47 (6) (a) 6m.

21           **SECTION 2035d.** 149.12 (2) (g) of the statutes is created to read:

22           149.12 (2) (g) A person is not eligible for coverage under the plan if the person  
23 is eligible for any of the following:

24           1. Services under s. 46.27 (11), 46.275, 46.277, or 46.278.

1           2. Medical assistance provided as part of a family care benefit, as defined in s.  
2 46.2805 (4).

3           3. Services provided under a waiver requested under 2001 Wisconsin Act 16,  
4 section 9123 (16rs), or 2003 Wisconsin Act 33, section 9124 (8c).

5           4. Services provided under the program of all-inclusive care for persons aged  
6 55 or older authorized under 42 USC 1396u-4.

7           5. Services provided under the demonstration program under a federal waiver  
8 authorized under 42 USC 1315.

9           6. Health care coverage under the Badger Care health care program under s.  
10 49.665.

11           **SECTION 2036d.** 149.14 (5) (b) of the statutes is amended to read:

12           149.14 (5) (b) Except as provided in pars. (c) and (e), if the covered costs  
13 incurred in a calendar year by ~~the~~ an eligible person who is not eligible for Medicare  
14 exceed the deductible for major medical expense coverage ~~in a calendar year~~, the plan  
15 shall pay at least 80% of any additional covered costs incurred by the person during  
16 the calendar year, and if the covered costs incurred in a calendar year by an eligible  
17 person who is eligible for Medicare exceed the deductible for major medical expense  
18 coverage or \$2,000, whichever is less, the plan shall pay 100% of any additional  
19 covered costs incurred by the person during the calendar year.

20           **SECTION 2037d.** 149.14 (5) (c) of the statutes is amended to read:

21           149.14 (5) (c) Except as provided in par. (e), if the aggregate of the covered costs  
22 not paid by the plan under par. (b) and the deductible exceeds ~~\$500 for an eligible~~  
23 ~~person receiving medicare, \$2,000 for any other~~ in a calendar year for an eligible  
24 ~~person during a calendar year who is not eligible for Medicare, or \$4,000 in a calendar~~  
25 year for all eligible persons in a family, the plan shall pay 100% of all covered costs

1 incurred by the eligible person or the eligible persons in the family during the  
2 calendar year after the payment ceilings under this paragraph are exceeded.

3 **SECTION 2038d.** 149.14 (5) (e) of the statutes is amended to read:

4 149.14 (5) (e) Subject to sub. (8) (b), the department may, ~~by rule under s. 149.17~~  
5 ~~(4), establish for prescription drug coverage under sub. (3) (d) copayment amounts,~~  
6 ~~coinsurance rates, and establish a 3-tiered copayment structure for prescription~~  
7 ~~drugs. The copayment and coinsurance out-of-pocket limits limit for prescription~~  
8 ~~drug coverage under sub. (3) (d) over which the plan will pay 100% of covered costs~~  
9 ~~under sub. (3) (d) may be \$300. The department may establish that only certain~~  
10 ~~copayment amounts count toward the out-of-pocket limit.~~ The department may  
11 provide subsidies for prescription drug copayment amounts paid by eligible persons  
12 under s. 149.165 (2) (a) 1. to 5. ~~Any copayment amount, coinsurance rate, or~~  
13 ~~out-of-pocket limit established under this paragraph is subject to the approval of the~~  
14 ~~board~~ Subject to sub. (8) (b), the department may change, by rule under s. 149.17 (4),  
15 ~~the out-of-pocket limit. Using the procedure under s. 227.24, the department may~~  
16 ~~promulgate rules under this paragraph for the period before the effective date of any~~  
17 ~~permanent rules promulgated under this paragraph, but not to exceed the period~~  
18 ~~authorized under s. 227.24 (1) (c) and (2). Notwithstanding s. 227.24 (1) (a), (2) (b),~~  
19 ~~and (3), the department is not required to provide evidence that promulgating a rule~~  
20 ~~under this paragraph as an emergency rule is necessary for the preservation of the~~  
21 ~~public peace, health, safety, or welfare and is not required to make a finding of~~  
22 ~~emergency for promulgating a rule under this paragraph as an emergency rule.~~  
23 Copayments and coinsurance paid by an eligible person under this paragraph are  
24 separate from and do not count toward the deductible and covered costs not paid by  
25 the plan under pars. (a) to (c).

1           **SECTION 2039d.** 149.142 (1) (b) of the statutes is amended to read:

2           149.142 (1) (b) The payment rate for a prescription drug shall be the allowable  
3 charge paid under s. 49.46 (2) (b) 6. h. for the prescription drug. Notwithstanding  
4 s. 149.17 (4), the department may not reduce the payment rate for prescription drugs  
5 below the rate specified in this paragraph, and the rate may not be adjusted under  
6 s. 149.143 or 149.144 set by the department, subject to the approval of the board.

7           **SECTION 2040d.** 149.142 (2) of the statutes is amended to read:

8           149.142 (2) ~~Except as provided in sub. (1) (b), the~~ The rates established under  
9 this section are subject to adjustment under ss. 149.143 and 149.144.

10          **SECTION 2041d.** 149.143 (1) (intro.) of the statutes is amended to read:

11          149.143 (1) (intro.) The department shall pay or recover the operating costs of  
12 the plan from the appropriation under s. 20.435 (4) (v) and administrative costs of  
13 the plan from the appropriation under s. 20.435 (4) (u). For purposes of determining  
14 premiums, insurer assessments and provider payment rate adjustments, the  
15 department shall apportion and prioritize responsibility for payment or recovery of  
16 plan costs, excluding deductible reductions under s. 149.14 (5) (a) and prescription  
17 drug copayment reductions under s. 149.14 (5) (e), from among the moneys  
18 constituting the fund as follows:

19          **SECTION 2042d.** 149.143 (1) (am) 1. of the statutes is amended to read:

20          149.143 (1) (am) 1. First, from premiums from eligible persons with coverage  
21 under s. 149.14 (2) (a) set at a rate that is 140% to 150% of the rate that a standard  
22 risk would be charged under an individual policy providing substantially the same  
23 coverage and deductibles as are provided under the plan and from eligible persons  
24 with coverage under s. 149.14 (2) (b) set in accordance with s. 149.14 (5m), including  
25 amounts received for premium, ~~deductible, and prescription drug copayment~~

1 subsidies under s. 149.144, and from premiums collected from eligible persons with  
2 coverage under s. 149.146 set in accordance with s. 149.146 (2) (b).

3 **SECTION 2043d.** 149.143 (1) (am) 3. of the statutes is amended to read:

4 149.143 (1) (am) 3. Third, by increasing premiums from eligible persons with  
5 coverage under s. 149.14 (2) (a) to more than the rate at which premiums were set  
6 under subd. 1. but not more than 200% of the rate that a standard risk would be  
7 charged under an individual policy providing substantially the same coverage and  
8 deductibles as are provided under the plan and from eligible persons with coverage  
9 under s. 149.14 (2) (b) by a comparable amount in accordance with s. 149.14 (5m),  
10 including amounts received for premium, ~~deductible, and prescription drug~~  
11 ~~copayment~~ subsidies under s. 149.144, and by increasing premiums from eligible  
12 persons with coverage under s. 149.146 in accordance with s. 149.146 (2) (b), to the  
13 extent that the amounts under subds. 1. and 2. are insufficient to pay 60% of plan  
14 costs.

15 **SECTION 2044d.** 149.143 (1) (am) 4. of the statutes is amended to read:

16 149.143 (1) (am) 4. Fourth, notwithstanding par. (bm), by increasing insurer  
17 assessments, excluding assessments under s. 149.144, and adjusting provider  
18 payment rates, ~~subject to s. 149.142 (1) (b) and~~ excluding adjustments to those rates  
19 under s. 149.144, in equal proportions and to the extent that the amounts under  
20 subds. 1. to 3. are insufficient to pay 60% of plan costs.

21 **SECTION 2045d.** 149.143 (1) (bm) 2. of the statutes is amended to read:

22 149.143 (1) (bm) 2. Fifty percent from adjustments to provider payment rates,  
23 ~~subject to s. 149.142 (1) (b) and~~ excluding adjustments to those rates under s.  
24 149.144.

25 **SECTION 2046d.** 149.143 (2) (a) (intro.) of the statutes is amended to read:

1           149.143 (2) (a) (intro.) Prior to each plan year, the department shall estimate  
2 the operating and administrative costs of the plan and the costs of the premium  
3 reductions under s. 149.165, ~~the deductible reductions under s. 149.14 (5) (a), and~~  
4 ~~any prescription drug copayment reductions under s. 149.14 (5) (e)~~ for the new plan  
5 year and do all of the following:

6           **SECTION 2047d.** 149.143 (2) (a) 1. a. of the statutes is amended to read:

7           149.143 (2) (a) 1. a. Estimate the amount of enrollee premiums that would be  
8 received in the new plan year if the enrollee premiums were set at a level sufficient,  
9 when including amounts received for premium, ~~deductible, and prescription drug~~  
10 ~~copayment~~ subsidies under s. 149.144 and from premiums collected from eligible  
11 persons with coverage under s. 149.146 set in accordance with s. 149.146 (2) (b), to  
12 cover 60% of the estimated plan costs for the new plan year.

13           **SECTION 2048d.** 149.143 (2) (a) 2. of the statutes is amended to read:

14           149.143 (2) (a) 2. After making the determinations under subd. 1., ~~by rule~~ set  
15 premium rates for the new plan year, including the rates under s. 149.146 (2) (b), in  
16 the manner specified in sub. (1) (am) 1. and 3. and such that a rate for coverage under  
17 s. 149.14 (2) (a) is approved by the board and is not less than 140% nor more than  
18 200% of the rate that a standard risk would be charged under an individual policy  
19 providing substantially the same coverage and deductibles as are provided under the  
20 plan.

21           **SECTION 2049d.** 149.143 (2) (a) 3. of the statutes is amended to read:

22           149.143 (2) (a) 3. ~~By rule set~~ Set the total insurer assessments under s. 149.13  
23 for the new plan year by estimating and setting the assessments at the amount  
24 necessary to equal the amounts specified in sub. (1) (am) 4. and (bm) 1. and notify  
25 the commissioner of the amount.

1           **SECTION 2050d.** 149.143 (2) (a) 4. of the statutes is amended to read:

2           149.143 (2) (a) 4. ~~By the same rule as under subd. 3. adjust~~ Adjust the provider  
3 payment rate for the new plan year, subject to s. 149.142 (1) (b), by estimating and  
4 setting the rate at the level necessary to equal the amounts specified in sub. (1) (am)  
5 4. and (bm) 2. and as provided in s. 149.145.

6           **SECTION 2051d.** 149.143 (2) (a) 4. of the statutes, as affected by 2005 Wisconsin  
7 Act .... (this act), is amended to read:

8           149.143 (2) (a) 4. Adjust the provider payment rate for the new plan year,  
9 ~~subject to s. 149.142 (1) (b),~~ by estimating and setting the rate at the level necessary  
10 to equal the amounts specified in sub. (1) (am) 4. and (bm) 2. and as provided in s.  
11 149.145.

12           **SECTION 2052d.** 149.143 (2m) (a) 1. of the statutes is amended to read:

13           149.143 (2m) (a) 1. The amount of premiums received in a plan year from all  
14 eligible persons, including amounts received for premium, ~~deductible,~~ and  
15 ~~prescription drug copayment~~ subsidies.

16           **SECTION 2053d.** 149.143 (2m) (a) 2. of the statutes is amended to read:

17           149.143 (2m) (a) 2. The amount of premiums, including amounts received for  
18 premium, ~~deductible,~~ and ~~prescription drug copayment~~ subsidies, necessary to cover  
19 60% of the plan costs for the plan year.

20           **SECTION 2054d.** 149.143 (3) (a) of the statutes is amended to read:

21           149.143 (3) (a) If, during a plan year, the department determines that the  
22 amounts estimated to be received as a result of the rates and amount set under sub.  
23 (2) (a) 2. to 4. and any adjustments in insurer assessments and the provider payment  
24 rate under s. 149.144 will not be sufficient to cover plan costs, the department may  
25 ~~by rule~~ increase the premium rates set under sub. (2) (a) 2. for the remainder of the



1 plan year, subject to s. 149.146 (2) (b) and the maximum specified in sub. (2) (a) 2.,  
2 ~~by rule~~ increase the assessments set under sub. (2) (a) 3. for the remainder of the plan  
3 year, subject to sub. (1) (bm) 1., and ~~by the same rule under which assessments are~~  
4 ~~increased~~ adjust the provider payment rate set under sub. (2) (a) 4. for the remainder  
5 of the plan year, subject to sub. (1) (bm) 2. and s. 149.142 (1) (b).

6 **SECTION 2055d.** 149.143 (3) (a) of the statutes, as affected by 2005 Wisconsin  
7 Act .... (this act), is amended to read:

8 149.143 (3) (a) If, during a plan year, the department determines that the  
9 amounts estimated to be received as a result of the rates and amount set under sub.  
10 (2) (a) 2. to 4. and any adjustments in insurer assessments and the provider payment  
11 rate under s. 149.144 will not be sufficient to cover plan costs, the department may  
12 increase the premium rates set under sub. (2) (a) 2. for the remainder of the plan year,  
13 subject to s. 149.146 (2) (b) and the maximum specified in sub. (2) (a) 2., increase the  
14 assessments set under sub. (2) (a) 3. for the remainder of the plan year, subject to sub.  
15 (1) (bm) 1., and adjust the provider payment rate set under sub. (2) (a) 4. for the  
16 remainder of the plan year, subject to sub. (1) (bm) 2. ~~and s. 149.142 (1) (b).~~

17 **SECTION 2056d.** 149.143 (3) (b) of the statutes is amended to read:

18 149.143 (3) (b) If the department increases premium rates and insurer  
19 assessments and adjusts the provider payment rate under par. (a) and determines  
20 that there will still be a deficit and that premium rates have been increased to the  
21 maximum extent allowable under par. (a), the department may further adjust, in  
22 equal proportions, assessments set under sub. (2) (a) 3. and the provider payment  
23 rate set under sub. (2) (a) 4., without regard to sub. (1) (bm) ~~but subject to s. 149.142~~  
24 ~~(1) (b).~~

25 **SECTION 2057d.** 149.143 (4) of the statutes is repealed.

1           **SECTION 2058d.** 149.143 (5) (a) of the statutes is amended to read:

2           149.143 (5) (a) Annually, no later than April 30, the department shall perform  
3 a reconciliation with respect to plan costs, premiums, insurer assessments, and  
4 provider payment rate adjustments based on data from the previous calendar year.  
5 On the basis of the reconciliation, the department shall make any necessary  
6 adjustments in premiums, insurer assessments, or provider payment rates, subject  
7 to ~~s. 149.142 (1) (b)~~, for the fiscal year beginning on the first July 1 after the  
8 reconciliation, as provided in sub. (2) (b).

9           **SECTION 2059d.** 149.143 (5) (b) of the statutes is amended to read:

10           149.143 (5) (b) Except as provided in sub. (3) and s. 149.144, the department  
11 shall adjust the provider payment rates to meet the providers' specified portion of the  
12 plan costs no more than once annually, ~~subject to s. 149.142 (1) (b)~~. The department  
13 may not determine the adjustment on an individual provider basis or on the basis  
14 of provider type, but shall determine the adjustment for all providers in the  
15 aggregate, ~~subject to s. 149.142 (1) (b)~~.

16           **SECTION 2060d.** 149.144 of the statutes is amended to read:

17           **149.144 Adjustments to insurer assessments and provider payment**  
18 **rates for premium, deductible, and prescription drug copayment**  
19 **reductions.** The department shall, ~~by rule~~, adjust in equal proportions the amount  
20 of the assessment set under s. 149.143 (2) (a) 3. and the provider payment rate set  
21 under s. 149.143 (2) (a) 4., subject to ss. 149.142 (1) (b) and 149.143 (1) (am), sufficient  
22 to reimburse the plan for premium reductions under s. 149.165, deductible  
23 reductions under s. 149.14 (5) (a), and any prescription drug copayment reductions  
24 under s. 149.14 (5) (e). The department shall notify the commissioner so that the  
25 commissioner may levy any increase in insurer assessments.

1           **SECTION 2061d.** 149.144 of the statutes, as affected by 2005 Wisconsin Act ...  
2 (this act), is amended to read:

3           **149.144 Adjustments to insurer assessments and provider payment**  
4 **rates for premium, deductible, and prescription drug copayment**  
5 **reductions.** The department shall adjust in equal proportions the amount of the  
6 assessment set under s. 149.143 (2) (a) 3. and the provider payment rate set under  
7 s. 149.143 (2) (a) 4., subject to ~~ss. 149.142 (1) (b) and s.~~ 149.143 (1) (am), sufficient  
8 to reimburse the plan for premium reductions under s. 149.165, deductible  
9 reductions under s. 149.14 (5) (a), and any prescription drug copayment reductions  
10 under s. 149.14 (5) (e). The department shall notify the commissioner so that the  
11 commissioner may levy any increase in insurer assessments.

12           **SECTION 2062d.** 149.145 of the statutes is amended to read:

13           **149.145 Program budget.** The department, in consultation with the board,  
14 shall establish a program budget for each plan year. The program budget shall be  
15 based on the provider payment rates specified in s. 149.142 and in the most recent  
16 provider contracts that are in effect and on the funding sources specified in ss.  
17 149.143 (1) and 149.144, including the methodologies specified in ss. 149.143,  
18 149.144, and 149.146 for determining premium rates, insurer assessments, and  
19 provider payment rates. Except as otherwise provided in s. 149.143 (3) (a) and (b)  
20 and ~~subject to s. 149.142 (1) (b),~~ from the program budget the department shall derive  
21 the actual provider payment rate for a plan year that reflects the providers'  
22 proportional share of the plan costs, consistent with ss. 149.143 and 149.144. The  
23 department may not implement a program budget established under this section  
24 unless it is approved by the board.

25           **SECTION 2063d.** 149.146 (2) (am) 5. of the statutes is amended to read:

1           149.146 (2) (am) 5. Subject to s. 149.14 (8) (b), the department may, by rule  
2           under s. 149.17 (4), establish for prescription drug coverage under this section  
3           copayment amounts, coinsurance rates, and establish a 3-tiered copayment  
4           structure for prescription drugs. The copayment and coinsurance out-of-pocket  
5           limits limit for prescription drug coverage under this section over which the plan will  
6           pay 100% of covered costs for prescription drugs. ~~Any copayment amount,~~  
7           ~~coinsurance rate, or out-of-pocket limit established under this subdivision is subject~~  
8           ~~to the approval of the board under this section may be \$400.~~ The department may  
9           establish that only certain copayment amounts count toward the out-of-pocket  
10           limit. Subject to s. 149.14 (8) (b), the department may change, by rule under s. 149.17  
11           (4), the out-of-pocket limit. Using the procedure under s. 227.24, the department  
12           may promulgate rules under this subdivision for the period before the effective date  
13           of any permanent rules promulgated under this subdivision, but not to exceed the  
14           period authorized under s. 227.24 (1) (c) and (2). Notwithstanding s. 227.24 (1) (a),  
15           (2) (b), and (3), the department is not required to provide evidence that promulgating  
16           a rule under this subdivision as an emergency rule is necessary for the preservation  
17           of the public peace, health, safety, or welfare and is not required to make a finding  
18           of emergency for promulgating a rule under this subdivision as an emergency rule.  
19           Copayments and coinsurance paid by an eligible person under this subdivision are  
20           separate from and do not count toward the deductible and covered costs not paid by  
21           the plan under subds. 1. to 3.

22           **SECTION 2064d.** 149.146 (2) (b) (intro.) of the statutes is amended to read:

23           149.146 (2) (b) (intro.) The schedule of premiums for coverage under this  
24           section shall be ~~promulgated by rule~~ set by the department, as provided in s. 149.143.  
25           The rates for coverage under this section shall be set such that they differ from the

1 rates for coverage under s. 149.14 (2) (a) by the same percentage as the percentage  
2 difference between the following:”.

3 **14.** Page 823, line 8: after that line insert:

4 “**SECTION 2103d.** 227.01 (13) (nm) of the statutes is created to read:

5 227.01 (13) (nm) Sets or adjusts premium rates, insurer assessments, or  
6 provider payment rates under ch. 149.”.

7 **15.** Page 906, line 20: delete the material beginning with that line and ending  
8 with page 908, line 18.

9 **16.** Page 976, line 9: delete lines 9 to 25.

10 **17.** Page 977, line 1: delete lines 1 to 6.

11 **18.** Page 1019, line 14: delete lines 14 to 20.

12 **19.** Page 1030, line 22: delete lines 22 to 25.

13 **20.** Page 1031, line 1: delete lines 1 to 11 and substitute:

14 “(4mw) HEALTH INSURANCE RISK-SHARING PLAN PRESCRIPTION DRUG COPAYS AND  
15 OUT-OF-POCKET LIMITS. The treatment of sections 149.14 (5) (e) and 149.146 (2) (am)  
16 5. of the statutes first applies to prescription drug coverage on July 1, 2006.”.

17 **21.** Page 1039, line 13: delete lines 13 to 15.

18 **22.** Page 1044, line 7: delete lines 7 to 17 and substitute:

19 “(3v) HEALTH INSURANCE RISK-SHARING PLAN DEDUCTIBLE. The treatment of  
20 section 149.14 (5) (b) and (c) of the statutes takes effect on January 1, 2006.

21 (4w) HEALTH INSURANCE RISK-SHARING PLAN PAYMENT RATE FOR PRESCRIPTION  
22 DRUGS. The treatment of sections 149.142 (1) (b) and (2), 149.143 (1) (am) 4. and (bm)  
23 2., (2) (a) 4. (by SECTION 2051d), (3) (a) (by SECTION 2055d) and (b), and (5) (a) and (b),

1 149.144 (by SECTION 2061d), and 149.145 of the statutes takes effect on October 1,  
2 2005.”

3 (END)