



State of Wisconsin
2017 - 2018 LEGISLATURE

LRBa2248/1
TJD:amn&kjf

**ASSEMBLY AMENDMENT 5,
TO ASSEMBLY BILL 920**

February 20, 2018 - Offered by Representative ZIMMERMAN.

1 At the locations indicated, amend the bill as follows:

2 **1.** Page 1, line 2: after “coverage” insert “, providing an exemption from
3 emergency rule procedures, and granting rule-making authority”.

4 **2.** Page 3, line 5: after that line insert:

5 “(am) To qualify under par. (b), an employer group shall satisfy all of the
6 following:

7 1. The employer group creates and maintains a formal organizational structure
8 with a governing body and an indication of formality, such as having by-laws.

9 2. The employers in the employer group control functions and activities of the
10 employer group, including establishment and maintenance of the employee health
11 care benefit arrangement, directly or indirectly through nomination and election of
12 representatives that control the employer group or association.

1 3. The chamber of commerce or industry-based association from which the
2 employer group is formed is actively in existence for at least 5 years before providing
3 evidence to the commissioner under par. (b), has at least 5 members for the 5 years
4 before providing evidence to the commissioner under par. (b), and is formed and
5 maintained in good faith for purposes other than obtaining or providing health
6 benefits.”.

7 **3.** Page 3, line 18: delete lines 18 and 19.

8 **4.** Page 3, line 22: after “arrangement.” insert “The employer group shall
9 ensure that the actuary making recommendations under this subdivision is in good
10 standing with the Academy of Actuaries, has the skills and knowledge necessary to
11 perform the analyses and make the recommendations, and is performing the
12 analyses and certifications based on sound actuarial principles.”.

13 **5.** Page 4, line 20: after “finances of the employer group” insert “and containing
14 any information specified by the commissioner by rule under sub. (5m)”.

15 **6.** Page 4, line 20: after that line insert:

16 “8. Specify in an agreement among the employers in the employer group or in
17 the by-laws of the employer group the procedures to be followed by and
18 responsibilities of the involved parties in the event of insolvency or pending
19 insolvency of the employer group.”.

20 **7.** Page 5, line 12: delete lines 12 to 14 and substitute:

21 “1. Offer the same health care benefits, or health care benefit arrangements
22 with a de minimis difference in actuarial value, to all of the employer’s eligible
23 employees and all of eligible employee’s dependents.”.

1 **8.** Page 6, line 10: delete lines 10 to 12 and substitute “a choice of health care
2 benefit plans to employers but each employer that participates in the employer group
3 shall offer the same health care benefits, or health care arrangement with a de
4 minimis difference in actuarial value, to all employees and dependents of the
5 employer.”.

6 **9.** Page 6, line 24: after that line insert:

7 “(5m) COMMISSIONER OVERSIGHT. (a) The commissioner of insurance may
8 examine the solvency of an employer group qualified under sub. (2) (b), including the
9 surplus funds available to the employer group and the levels and cost of reinsurance,
10 using statutory accounting principles. The commissioner may promulgate rules
11 regarding the solvency of employer groups qualified under sub. (2) (b). The
12 commissioner may require an employer group to take corrective action, issue an
13 order, or initiate an enforcement proceeding described under s. 601.41 (4) to remedy
14 a violation of rules promulgated under this paragraph.

15 (b) If, after the effective date of this paragraph ... [LRB inserts date], the
16 federal department of labor publishes a final rule allowing states regulatory
17 authority over association health plans, the commissioner of insurance may
18 promulgate rules to implement the federal law.”.

19 **10.** Page 7, line 2: after “(A)” insert “and except as provided in sub. (5m)”.

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(END)