

**ORDER OF THE OFFICE OF THE COMMISSIONER OF INSURANCE**

**AMENDING AND CREATING A RULE**

To amend Ins 3.37 (3) (intro), (b), (d) and (e); and to create Ins 3.37 (3) (g) , Wis. Admin. Code, relating to Transitional treatment.

---

**ANALYSIS PREPARED BY THE OFFICE OF THE COMMISSIONER OF INSURANCE**

Statutory authority: ss. 601.41(3), 632.89(4), Stats.

Statutes interpreted: ss. 632.89(4), Stats.

Section 632.89 (4), Stats., requires the Office of the Commissioner of Insurance to define services for which insurance coverage applies to various transitional treatment of mental health and alcohol and other drug abuse treatment services. Due to recent changes in regulations issued by the Department of Health and Family Services (DHFS), several cross reference cites within s. Ins 3.37, Wis. Admin. Code, are invalid and require amendment and modification.

In addition, developments in mental health treatment options have created additional transitional treatment options, including crisis intervention, that should be incorporated within the scope of services covered under transitional treatment. Coordinated emergency mental health intervention treatment provides immediate treatment options to persons experiencing a mental health crisis or are in a situation that if left untreated would likely become a crisis if proper support is not provided. These coordinated emergency mental health treatment services are not provided within a hospital setting, rather the treatment and intervention occurs where the crisis is occurring. If the person is at risk for repeated need for intervention, intervention plans would be developed with the goal of decreasing the frequency and intensity of future crises. Coordinated emergency mental health programs, also known as crisis intervention programs, have been found to be effective both in terms of care to consumers and as a cost efficient alternative to traditional urgent or emergency treatment.

Crisis intervention programs must be certified by the Department of Health and Family Services and may be utilized by insurers as an alternate transitional treatment program.

---

**SECTION 1. Sections Ins 3.37 (intro), (3)(b), (d) and (e) are amended to read:**

Ins 3.37 (intro) COVERED SERVICES. A policy subject to this section shall provide at least the amount of coverage required under s. 632.89 (2) (dm) 2., Stats., subject to the exclusions or limitations, including deductibles and copayments, that are generally applicable to coverage required under s. 632.89 (2), Stats., for all of the following:

Ins 3.37 (3)(b) Mental health services for children and adolescents in a day treatment program offered by a provider certified by the department of health and family services under s. HFS ~~61.81~~40.04.

3.37(3)(d) Residential treatment programs for alcohol or drug dependent ~~person~~persons, or both, certified by the department of health and family services under s. HFS ~~61.60~~75.14 (1) and (2).

3.37(3)(e) Services for alcoholism and other drug problems provided in a day treatment program certified by the department of health and family services under s. HFS ~~61.61~~75.12 (1) and (2).

**SECTION 2. Section Ins 3.37 (3) (g) is created to read:**

Ins 3.37(3) (g) Coordinated emergency mental health services for persons who are experiencing a mental health crisis or who are in a situation likely to turn into a mental health crisis if support is not provided. Services are provided by a program certified by the department of health and family services under s. HFS 34.03 and provided in accordance with subch. III HFS 34 for the period of time the person is experiencing a mental health crisis until the person is stabilized or referred to other providers for stabilization. Certified emergency mental health service plans shall provide timely notice to third-party payors to facilitate coordination of services for persons who are experiencing or are in a situation likely to turn into a mental health crisis.

**SECTION 3. These changes first apply to policies issued or renewed on or after January 1, 2003.**

**SECTION 4.** These changes will take effect on the first day of the month after publication, as provided in s. 227.22(2)(intro.), Stats.

Dated at Madison, Wisconsin, this \_\_\_\_\_ day of \_\_\_\_\_, 2002.

---

Connie L. O'Connell  
Commissioner of Insurance

**FISCAL ESTIMATE WORKSHEET — 2001 Session**

Detailed Estimate of Annual Fiscal Effect

ORIGINAL       UPDATED  
 CORRECTED       SUPPLEMENTAL

LRB Number	Amendment No. if Applicable
Bill Number	Administrative Rule Number <b>INS 3.37</b>

**Subject**  
 Transitional treatment

**One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):**  
 None

Annualized Costs:		Annualized Fiscal impact on State funds from:	
		Increased Costs	Decreased Costs
<b>A. State Costs by Category</b>			
State Operations - Salaries and Fringes		\$ 0	\$ -0
(FTE Position Changes)		(0 FTE)	(-0 FTE)
State Operations - Other Costs		0	-0
Local Assistance		0	-0
Aids to Individuals or Organizations		0	-0
TOTAL State Costs by Category		\$ 0	\$ -0
<b>B. State Costs by Source of Funds</b>			
GPR		\$ 0	\$ -0
FED		0	-0
PRO/PRS		0	-0
SEG/SEG-S		0	-0
<b>C. State Revenues</b> Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)		<b>Increased Rev.</b>	<b>Decreased Rev.</b>
GPR Taxes		\$ 0	\$ -0
GPR Earned		0	-0
FED		0	-0
PRO/PRS		0	-0
SEG/SEG-S		0	-0
TOTAL State Revenues		\$ 0 None	\$ -0 None

**NET ANNUALIZED FISCAL IMPACT**

	<u>STATE</u>		<u>LOCAL</u>
NET CHANGE IN COSTS	\$ <u>None 0</u>	\$	<u>None 0</u>
NET CHANGE IN REVENUES	\$ <u>None 0</u>	\$	<u>None 0</u>

Prepared by: Julie E. Walsh	Telephone No. (608) 264-8101	Agency Insurance
Authorized Signature:	Telephone No.	Date (mm/dd/ccyy)

**FISCAL ESTIMATE — 2001 Session**

- ORIGINAL                       UPDATED  
 CORRECTED                       SUPPLEMENTAL

LRB Number	Amendment No. if Applicable
Bill Number	Administrative Rule Number <b>INS 3.37</b>

**Subject**  
 Transitional treatment

**Fiscal Effect**

**State:**  No State Fiscal Effect

Check columns below only if bill makes a direct appropriation or affects a sum sufficient appropriation.

- Increase Existing Appropriation                       Increase Existing Revenues  
 Decrease Existing Appropriation                       Decrease Existing Revenues  
 Create New Appropriation

- Increase Costs - May be possible to Absorb Within Agency's Budget  Yes  No  
 Decrease Costs

**Local:**  No local government costs

1.  Increase Costs  
 Permissive  Mandatory  
 2.  Decrease Costs  
 Permissive  Mandatory

3.  Increase Revenues  
 Permissive  Mandatory  
 4.  Decrease Revenues  
 Permissive  Mandatory

5. Types of Local Governmental Units Affected:  
 Towns  Villages  Cities  
 Counties  Others \_\_\_\_\_  
 School Districts  WTCS Districts

**Fund Sources Affected**  
 GPR  FED  PRO  PRS  SEG  SEG-S

Affected Chapter 20 Appropriations

Assumptions Used in Arriving at Fiscal Estimate

**Long-Range Fiscal Implications**

**None**

**Prepared by:**  
 Julie E. Walsh

**Telephone No.**  
 (608) 264-8101

**Agency Insurance**

**Authorized Signature:**

**Telephone No.**

**Date** (mm/dd/ccyy)