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## WISCONSIN LEGISLATIVE COUNCIL ACT MEMO

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<b>2003 Wisconsin Act 178</b> [2003 Senate Bill 71]	<b>Provisions Related to Insurance Coverage of Treatment for Nervous and Mental Disorders and Alcoholism and Other Drug Abuse Problems</b>
2003 Acts: <a href="http://www.legis.state.wi.us/2003/data/acts/">www.legis.state.wi.us/2003/data/acts/</a>	Act Memos: <a href="http://www.legis.state.wi.us/lc/act_memo/act_memo.htm">www.legis.state.wi.us/lc/act_memo/act_memo.htm</a>

Wisconsin Act 178 enacts a series of provisions related to the treatment of prescription drug costs, diagnostic testing, and payments made under mandated insurance coverage of treatment for nervous and mental disorders and alcoholism and other drug abuse problems.

2003 Act 178 is a product of the Joint Legislative Council's Special Committee on Mental Health Parity.

Under current law, a group health insurance policy must cover certain mental health and alcoholism and other drug abuse problems services up to mandated maximum dollar levels. This Act does not change these levels.

*Act 178* specifies that the dollar coverage limits related to the treatment of nervous and mental disorders and alcoholism and other drug abuse problems **do not include** the costs incurred for either prescription drugs or diagnostic testing. The Act defines the term diagnostic testing to mean the procedures used to exclude the existence of conditions other than nervous or mental disorders or alcoholism or other drug abuse problems. The Department of Health and Family Services is authorized to specify, by rule, the diagnostic testing procedures that are not included under the coverage limits.

Act 178 also clarifies that, if an insurer pays less than the amount that a provider charges, the required coverage limits apply to the amount actually paid by the insurer, rather than to the amount charged by the provider.

**Effective Date:** The Act also specifies that if an insurance policy contains a provision that is inconsistent with the new provisions, the new requirements will first apply on the date the policy is renewed. The Act became effective on April 21, 2004.

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This memo provides a brief description of the Act. For more detailed information, consult the text of the law and related legislative documents.