



WISCONSIN LEGISLATIVE COUNCIL AMENDMENT MEMO

2001 Senate Bill 81

**Senate Substitute
Amendment 1**

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BACKGROUND

2001 Senate Bill 81 was introduced on March 8, 2001. The bill was recommended for passage by the Senate Committee on Health, Utilities, Veterans and Military Affairs on April 18, 2001. Subsequent to this date, most of the provisions of 2001 Senate Bill 81 were included in the 2001 Biennial Budget Act (2001 Wisconsin Act 16). Some of the provisions from Senate Bill 81 that were included in the budget bill, as passed by the Legislature, were vetoed, and Senate Substitute Amendment 1 to 2001 Senate Bill 81 incorporates similar provisions.

SENATE SUBSTITUTE AMENDMENT 1

Senate Substitute Amendment 1 does the following:

- Provides \$850,000 general purpose revenue (GPR) in 2001-02 to the Private Employer Health Care Coverage Program in the Department of Employee Trust Funds. The substitute amendment also specifies that the \$850,000 GPR would be repaid from moneys lapsed from small employer payments credited to the Private Employer Health Care Coverage Program. The Secretary of Administration is authorized to lapse funds from the program revenue appropriation for the program to the general fund when the Secretary, after consulting with the Private Employer Health Care Coverage Board, determines that the funds in the program revenue appropriation account are sufficient to make the lapse.
- Provides that the provisions in current law relating to the required general fund balance do not apply to the enactment of this legislation.
- Modifies small employer health insurance premium rate bands to provide that premium rates charged to small employers with similar case characteristics for the same or similar benefit design characteristics may not vary from the midpoint rate for those small employers by

more than 10% of that midpoint rate (under current law, the specified percentage is 35% of the midpoint rate).

- Provides that the Commissioner of Insurance may promulgate rules to implement the revised rate bands, as emergency rules, without being required to provide evidence that promulgating the rules as emergency rules is necessary for the preservation of public peace, health, safety or welfare.

Senate Bill 81, as amended by Senate Substitute Amendment 1, was recommended for passage by the Senate Committee on Finance by a vote of Ayes, 6, Noes, 2, on October 23, 2001. On that same date, the Senate adopted Senate Substitute Amendment 1 by a vote of Ayes, 22, Noes, 11, and passed the bill on that same date, as amended, by a vote of Ayes, 25, Noes, 8.

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