



## 1997 ASSEMBLY BILL 955

March 26, 1998 - Introduced by Representatives BALDWIN and BOCK, cosponsored by Senators CHVALA and RISSER. Referred to Committee on Health.

1     **AN ACT to amend** 15.01 (4) and 59.17 (2) (c); and **to create** 15.07 (1) (a) 7., 15.07  
2           (2) (h), 15.07 (5) (m), 15.07 (5m) (c), 15.20, 15.207, 20.430, chapter 52, 59.53 (24)  
3           and 62.09 (8) (cm) of the statutes; **relating to:** establishing a single-payer,  
4           publicly financed health care system for residents of this state, creating the  
5           department of health planning and finance, health policy board and regional  
6           health councils and establishing duties of the health policy board.

---

### *Analysis by the Legislative Reference Bureau*

Under current law, payment for medical services received by residents of this state is made from a combination of federal moneys (such as under the medicare, medicaid and various block grant programs), general purpose revenues (such as the "state share" of the joint federal-state medical assistance program, state contributions to relief block grants for health care services and moneys appropriated for specific medical purposes, such as cancer control grants), local moneys (such as funding for medical relief health care services and county nursing homes and hospitals) and private health insurance coverage purchased by individuals or provided, in part, as employe benefits.

This bill establishes a universal health plan for Wisconsin, effective July 1, 2001, under which each state resident shall, with certain exceptions, receive reasonable medical services necessary to maintain health, enable diagnosis or provide treatment or rehabilitation for an injury, disability or disease.

**ASSEMBLY BILL 955**

This bill creates a department of health planning and finance that is directed and supervised by an 11-member health policy board that is also created in the bill. The bill also creates 6 regional health councils that are attached to the department of health planning and finance and that report quarterly to the health policy board on the health care needs, problems and concerns of the region. The bill requires appropriation of general purpose revenues to the department of health planning and finance for operation of the health policy board for fiscal year 1997-98 and 1998-99 and requires that the health policy board consider numerous issues related to the formation of a universal health plan in this state. The board is required to meet semimonthly beginning on January 1, 1999, to formulate decisions on these issues, including those raised in reports to the board by the regional health councils, and to convey these decisions to and cooperate with the legislative reference bureau in the drafting of proposed legislation for introduction in the legislature on or before January 11, 2000. The legislative reference bureau must prepare the proposed legislation that relates to the board's decisions in proper form for introduction.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

---

*The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:*

1           **SECTION 1.** 15.01 (4) of the statutes is amended to read:

2           15.01 (4) "Council" means a part-time body appointed to function on a  
3 continuing basis for the study, and recommendation of solutions and policy  
4 alternatives, of the problems arising in a specified functional area of state  
5 government, except the Milwaukee river revitalization council has the powers and  
6 duties specified in s. 23.18, the council on physical disabilities has the powers and  
7 duties specified in s. 46.29 (1) and (2), the state council on alcohol and other drug  
8 abuse has the powers and duties specified in s. 14.24, the regional health councils  
9 have the powers and duties specified in s. 52.30 (1) and, before January 1, 2001, the  
10 council on health care fraud and abuse has the powers and duties specified in s.  
11 146.36.

12           **SECTION 2.** 15.07 (1) (a) 7. of the statutes is created to read:

**ASSEMBLY BILL 955**

1           15.07 (1) (a) 7. Members of the health policy board appointed under s. 15.20 (1)  
2 (a) shall be appointed as provided in that section.

3           **SECTION 3.** 15.07 (2) (h) of the statutes is created to read:

4           15.07 (2) (h) The chairperson of the health policy board shall serve for a period  
5 of 3 years.

6           **SECTION 4.** 15.07 (5) (m) of the statutes is created to read:

7           15.07 (5) (m) Voting members of the health policy board, \$50 per day.

8           **SECTION 5.** 15.07 (5m) (c) of the statutes is created to read:

9           15.07 (5m) (c) *Health policy board.* Members of the health policy board may  
10 be reimbursed for lost wages if required by their employers to use leave without pay  
11 in order to attend meetings of the health policy board, and they may be reimbursed  
12 for actual and necessary child care expenses without proof of financial hardship.

13           **SECTION 6.** 15.20 of the statutes is created to read:

14           **15.20 Department of health planning and finance.** (1) There is created  
15 a department of health planning and finance under the direction and supervision of  
16 the health policy board. The health policy board shall consist of the following  
17 members, each of whom is to serve for a 6-year term and, if reappointed, for an  
18 additional 6-year term and none of whom may be a health care service provider or  
19 administrator of a health care facility or organization:

20           (a) One member appointed by and from the current membership of each of 6  
21 regional health councils as specified under s. 15.207 (1) (b).

22           (b) Five members, appointed by the governor, who reflect as much as possible  
23 a balance of gender, race, age and the interests of management, labor and disabled  
24 individuals.

25           **SECTION 7.** 15.207 of the statutes is created to read:

**ASSEMBLY BILL 955**

1           **15.207 Same; councils. (1) REGIONAL HEALTH COUNCILS.** (a) There are created  
2 6 regional health councils that are attached to the department of health planning  
3 and finance under s. 15.03, one of which is established in each of the following areas  
4 of this state:

5           1. The northern region, consisting of Ashland, Bayfield, Douglas, Florence,  
6 Forest, Iron, Langlade, Lincoln, Marathon, Oneida, Portage, Price, Sawyer, Taylor,  
7 Vilas and Wood counties.

8           2. The southern region, consisting of Adams, Columbia, Crawford, Dane,  
9 Dodge, Grant, Green, Iowa, Jefferson, Juneau, Lafayette, Richland, Rock, Sauk and  
10 Vernon counties.

11           3. The western region, consisting of Barron, Burnett, Buffalo, Chippewa,  
12 Clark, Dunn, Eau Claire, Jackson, La Crosse, Monroe, Pepin, Pierce, Polk, Rusk, St.  
13 Croix, Trempealeau and Washburn counties.

14           4. The northeastern region, consisting of Brown, Calumet, Door, Fond du Lac,  
15 Green Lake, Kewaunee, Manitowoc, Marinette, Marquette, Menominee, Oconto,  
16 Outagamie, Shawano, Sheboygan, Waupaca, Waushara and Winnebago counties.

17           5. The southeastern region, consisting of Kenosha, Ozaukee, Walworth,  
18 Washington, Waukesha and Racine counties.

19           6. The area within Milwaukee County.

20           (b) Each regional council shall consist of the following members, to serve for  
21 3-year terms:

22           1. In the northern region, a total of 16 members, consisting of one member from  
23 each county in that region. The county board of supervisors of each county in that  
24 region shall appoint the member from that county.

**ASSEMBLY BILL 955**

1           2. In the southern region, a total of 15 members, consisting of one member from  
2 each county in that region. The county board of supervisors of each county in that  
3 region shall appoint the member from that county.

4           3. In the western region, a total of 17 members, consisting of one member from  
5 each county in that region. The county board of supervisors of each county in that  
6 region shall appoint the member from that county.

7           4. In the northeastern region, a total of 17 members, consisting of one member  
8 from each county in that region. The county board of supervisors of each county in  
9 that region shall appoint the member from that county.

10          5. In the southeastern region, a total of 12 members, consisting of 2 members  
11 from each county in that region. The county board of supervisors of each county in  
12 that region shall appoint the 2 members from that county.

13          6. In the area within Milwaukee County, a total of 12 members, consisting of  
14 6 members who are residents of the city of Milwaukee and are appointed by the  
15 mayor of the city of Milwaukee, and 6 members who are residents of Milwaukee  
16 County but are not residents of the city of Milwaukee and are appointed by the  
17 county executive of Milwaukee County.

18           **SECTION 8.** 20.005 (3) (schedule) of the statutes: at the appropriate place, insert  
19 the following amounts for the purposes indicated:

				<b>1997-98</b>	<b>1998-99</b>
20					
21	<b>20.430</b>	<b>Health planning and finance,</b>			
22		<b>department of</b>			
23	(1)	HEALTH POLICY BOARD			
24	(a)	General program operations	GPR	A	-0-            -0-



**ASSEMBLY BILL 955**

1           **52.20 Health policy board; powers and duties.** The board shall consider  
2 and formulate policy on at least all of the following issues with respect to the  
3 formation of a universal health plan in this state:

4           **(1)** Other than premiums, copayments, deductibles or other forms of direct  
5 payment by patients, the sources of revenues for the administration of the  
6 department and the board and for financing the payment of medical services that are  
7 provided to residents under the universal health plan, including all of the following:

8           (a) Use of federal, state and local moneys that fund, as of the effective date of  
9 this paragraph .... [revisor inserts date], health care services, including medicare,  
10 medical assistance, health care services under ss. 49.025, 49.027 and 49.029,  
11 services under the health care program for low-income families under s. 49.665,  
12 services provided under federal block grants, alcohol and other drug abuse services  
13 and services provided by local public health agencies.

14           (b) Imposition of a tax on employers, based on the amount of wages that they  
15 pay, that generates, in the aggregate, revenues that are at least equal to amounts  
16 that employers contribute, as of the effective date of this paragraph .... [revisor  
17 inserts date], for employe health care benefit costs, including the costs of worker's  
18 compensation attributable to health care for injured employes.

19           (c) Imposition of a graduated income tax on individuals that generates, in the  
20 aggregate, revenues that are not greater than expenditures that individuals make,  
21 as of the effective date of this paragraph .... [revisor inserts date], for health care costs  
22 for which coverage under disability insurance policies is not obtained.

23           (d) An indexing of the sources of revenues under this subsection that provides  
24 for revenue growth that is equivalent to the anticipated growth of health care costs  
25 under the universal health plan.

**ASSEMBLY BILL 955****SECTION 10**

1           **(2)** The likelihood of and procedures necessary for obtaining waivers to 42 USC  
2 1396 to 1396v or statutory changes to 42 USC 1396 to 1396v in order to effect all of  
3 the following:

4           (a) Administration of the medical assistance program in this state by the  
5 department, rather than by the department of health and family services.

6           (b) Use of federal financial participation to fund a portion of the administrative  
7 costs, after June 30, 2000, of the department.

8           (c) Use of federal financial participation, after June 30, 2001, to fund, under the  
9 universal health plan, the health care services received by a percentage of the  
10 residents that corresponds to the percentage of the residents, as determined by the  
11 board, that is eligible to receive health care services under the medical assistance  
12 program or under the health care program for low-income families under s. 49.665  
13 on July 1, 2001.

14           (d) The formulation of criteria and procedures for payment of out-of-state  
15 health care costs incurred by residents specified in par. (c).

16           (e) Use of federal financial participation to fund the scope, or a portion of the  
17 scope, of medical services to be provided under the universal health plan.

18           **(3)** The likelihood of and procedures necessary for obtaining waivers to 42 USC  
19 1395 to 1395ddd or statutory changes to 42 USC 1395 to 1395ddd in order to effect  
20 all of the following:

21           (a) Administration of the medicare program in this state by the department,  
22 rather than by private insurers.

23           (b) Use of federal funds under 42 USC 1395 to 1395ddd to fund a portion of the  
24 administrative costs, after June 30, 2000, of the department.



**ASSEMBLY BILL 955**

1 (c) Use of federal funds under 42 USC 1395 to 1395ddd to fund, under the  
2 universal health plan, the health care services received by residents who are eligible  
3 to receive services under 42 USC 1395 to 1395ddd beginning on July 1, 2001.

4 (d) The formulation of criteria and procedures for payment of out-of-state  
5 health care costs incurred by residents specified in par. (c).

6 (e) Use of federal funds under 42 USC 1395 to 1395ddd to fund the scope, or  
7 a portion of the scope, of medical services to be provided under the universal health  
8 plan.

9 (f) The assignment to the state, as represented by the department, of rights of  
10 an individual to payment for medical care from any 3rd party.

11 **(4)** The likelihood of and procedures necessary for obtaining waivers or  
12 statutory changes to federal laws, other than those specified in subs. (2) and (3), in  
13 order to use moneys available under those federal laws for payment of health care  
14 services or mental health services under the universal health plan or in order to  
15 provide services to all residents under the universal health plan.

16 **(5)** The establishment and maintenance of a health trust fund in the  
17 department, for receipt of revenues for the purposes specified in sub. (1).

18 **(6)** The scope of health care services and other benefits, if any, that shall be  
19 required to be provided under the universal health plan, including all of the  
20 following:

21 (a) Services of all persons licensed, certified, registered or permitted to treat  
22 the sick under chs. 441, 446, 447, 448, 449, 450, 451, 455 and 459 and services of  
23 professional counselors and marriage and family therapists under ch. 457.

24 (b) Health care and mental health treatment services provided by facilities or  
25 services governed under ss. 45.365, 46.03 (1), 49.70, 49.72 (1), 50.02, 50.03, 50.033,

**ASSEMBLY BILL 955****SECTION 10**

1 50.034, 50.32 to 50.39, 50.49, 50.50, 50.91, 51.038, 51.08, 51.09, 58.05, 58.06, 251.05,  
2 252.073, 252.076, 252.10 and 301.02 and the offices and clinics of persons licensed,  
3 certified, registered or permitted to treat the sick under chs. 441, 446, 447, 448, 449,  
4 450, 451, 455 and 459.

5 (c) Services provided by social workers certified under ch. 457.

6 (d) Preventive health care services and health promotional programs.

7 (e) Long-term care and services provided in institutional and  
8 community-based settings as convalescent or custodial care or care for a chronic  
9 condition or terminal illness.

10 (f) Eyeglasses and contact lenses.

11 (g) Hearing aids, as defined in s. 459.01 (2).

12 (h) Prescription drugs, as defined in s. 450.01 (20).

13 (i) Prostheses, including dental prostheses.

14 (j) Medical supplies and equipment.

15 **(7)** The definition of the terms “health care provider”, “health care facility” and  
16 “cosmetic surgery” for purposes of reimbursement under the universal health plan.

17 **(8)** The formulation of criteria for determining payment and the formulation  
18 of procedures for determining payment and negotiating applicable rates to be used  
19 for payment for health care providers, including health care facilities, under the  
20 universal health plan. The criteria and procedures for determining payment shall  
21 include the concept of periodic budgeting, including separately budgeting for  
22 operational costs, for health care facilities.

23 **(9)** The formulation of criteria and procedures to review and to provide funding  
24 for capital expenditures, from an account separate from that from which health care

**ASSEMBLY BILL 955**

1 services are paid, for the establishment, maintenance or expansion of health care  
2 facilities.

3 (10) The formulation of prohibitions on issuance of disability insurance policies  
4 that duplicate the coverage provided under the universal health plan.

5 (11) The formulation of criteria and procedures for recovery of overpayments  
6 made to health care providers under the universal health plan.

7 (12) The creation of a timetable for the phasing in, no later than July 1, 2004,  
8 of services under the universal health plan for each of the following groups:

9 (a) Individuals, other than those specified in par. (b), who have no coverage  
10 under disability insurance policies.

11 (b) Individuals who have no coverage under disability insurance policies and  
12 who receive federally funded, state-funded or locally funded health care, treatment  
13 for nervous or mental disorders or treatment or prevention services for alcohol and  
14 other drug abuse.

15 (c) Individuals who are employes of state, county, city, village or town  
16 government and who, as a benefit of the employment, have coverage for themselves  
17 and family members under provisions of group disability insurance policies or under  
18 self-insured health plans.

19 (d) Individuals, other than those specified in par. (c) or (h), who, by reason of  
20 their employment or as family members of individuals who are employed, have  
21 coverage under group disability insurance policies.

22 (e) Individuals who have coverage under individual disability insurance  
23 policies.

24 (f) Individuals who have coverage under the mandatory health insurance  
25 risk-sharing plan under ch. 149.

**ASSEMBLY BILL 955****SECTION 10**

1 (g) Individuals who are eligible for benefits or services under s. 49.46, 49.47 or  
2 49.665, medicare or federal block grants that provide health care services or mental  
3 health services.

4 (h) Individuals who are employes of self-insured employers, other than those  
5 specified in par. (c), and who receive health care benefits for themselves and family  
6 members under self-insured health plans.

7 (i) Individuals who receive medical benefits under worker's compensation.

8 **(13)** The determination of factors requisite to establishing an annual state  
9 health budget for the provision of services under the universal health plan.

10 **(14)** The scope of functions of the department and the attendant reduction of  
11 scope of the functions of the department of health and family services, the office of  
12 the commissioner of insurance, the board on aging and long-term care and any other  
13 applicable state agency powers or responsibilities.

14 **(15)** The solicitation and use of information provided by the health policy  
15 councils.

16 **(16)** The likelihood of and procedures necessary to obtain waivers or statutory  
17 change to 29 USC 1144 (a), or, alternatively, the means by which operation of the  
18 universal health plan may avoid conflict with 29 USC 1144 (a).

19 **(17)** The necessity of exempting operation of the universal health plan from ch.  
20 133.

21 **(18)** Investigation of the feasibility of providing the state with subrogation  
22 rights to payments for injury or disease to residents that are provided under motor  
23 vehicle or other liability insurance policies or plans.

24 **(19)** Development of a system for determination and periodic review of areas  
25 in this state, and specific populations within those areas, that are medically

**ASSEMBLY BILL 955**

1 underserved; and development of plans for providing health care services to those  
2 areas and populations that include establishment of community health centers.

3 (20) Development of a system for periodic reviews and evaluations of all  
4 aspects of the operation of the universal health plan, including the adequacy,  
5 effectiveness and quality of health care services provided.

6 (21) Development of a notice and hearing procedure for review of complaints  
7 of residents under the universal health plan, in accordance with the requirements  
8 of ch. 227.

9 (22) Means of containing costs for services provided under the universal health  
10 plan.

11 (23) Formulation of criteria and procedures for payment under the universal  
12 health plan of out-of-state health care costs incurred by residents.

13 (24) Other issues that the board determines are relevant to the universal  
14 health plan.

15 (25) State statutory changes that may be necessary to effect subs. (1) to (24).

16 **52.30 Regional health councils; powers and duties.** (1) Each regional  
17 health council shall do all of the following:

18 (a) Appoint one member of the regional health council to serve as a member of  
19 the board under s. 15.20 (1) (a). If the term of the member who is so appointed expires  
20 with respect to the regional health council or with respect to the board under s. 15.20  
21 (1) (a), the regional health council shall appoint a current member of the council to  
22 serve as a member of the board in his or her stead.

23 (b) Study and continuously monitor the delivery and quality of and access to  
24 health care services in the region of the regional health council and recommend to

**ASSEMBLY BILL 955****SECTION 10**

1 the board ways to improve the quality of and help ensure access to health care  
2 services.

3 (c) Study and continuously monitor the unmet health care service needs in the  
4 region of the regional health council and recommend to the board ways by which the  
5 needs may be met.

6 (d) Report at least annually to the board with respect to the health care needs,  
7 problems and concerns of the region and provide to the board recommendations to  
8 alleviate these needs, problems and concerns.

9 (e) Perform other duties as required by the board.

10 **(2)** Each regional health council may, for cause, recall the member appointed  
11 under sub. (1) (a) and may appoint another member to fulfill that term on the board  
12 if all of the following are done:

13 (a) The appointed member of the board for whom recall is sought receives notice  
14 of the recall prior to the meeting at which recall is voted upon.

15 (b) Notice of the recall of the appointed member is made on the agenda of the  
16 meeting of the regional health council that is immediately prior to the meeting at  
17 which recall is voted upon.

18 **SECTION 11.** 59.17 (2) (c) of the statutes is amended to read:

19 59.17 **(2)** (c) Appoint the members of all boards ~~and~~, commissions and councils  
20 where appointments are required and where the statutes provide that the  
21 appointments are made by the county board or by the chairperson of the county  
22 board. All appointments to boards ~~and~~, commissions and councils by the county  
23 executive are subject to confirmation by the county board.

24 **SECTION 12.** 59.53 (24) of the statutes is created to read:

**ASSEMBLY BILL 955**

1           59.53 (24) REGIONAL HEALTH COUNCIL. Each board shall appoint members of a  
2 regional health council, as specified in s. 15.207 (1) (b).

3           **SECTION 13.** 62.09 (8) (cm) of the statutes is created to read:

4           62.09 (8) (cm) The mayor of a 1st class city may, with the advice and consent  
5 of the common council of that city, appoint 6 members of a regional health council,  
6 as specified under s. 15.207 (1) (b) 6.

7           **SECTION 14. Nonstatutory provisions; health planning and financed.**

8           (1) HEALTH POLICY BOARD; APPOINTMENT OF MEMBERS. Notwithstanding the  
9 length of terms specified for the voting members of the health policy board under  
10 section 15.20 (1) (intro.) of the statutes, as created by this act, the initial members  
11 of the health policy board shall be appointed by the first day of the 3rd month  
12 beginning after the effective date of this subsection for the following terms:

13           (a) Two members specified under section 15.20 (1) (b) of the statutes, as created  
14 by this act, and 2 members specified under section 15.20 (1) (a) of the statutes, as  
15 created by this act, one of whom is appointed from the northern regional council and  
16 one of whom is appointed from the southeastern regional council, for terms expiring  
17 on May 1, 2002.

18           (b) Two members specified under section 15.20 (1) (b) of the statutes, as created  
19 by this act, and 2 members specified under section 15.20 (1) (a) of the statutes, as  
20 created by this act, one of whom is appointed from the northeastern regional council  
21 and one of whom is appointed from the regional council within the area of Milwaukee  
22 County, for terms expiring on May 1, 2004.

23           (c) One member specified under section 15.20 (1) (b) of the statutes, as created  
24 by this act, and 2 members specified under section 15.20 (1) (a) of the statutes, as  
25 created by this act, one of whom is appointed from the southern regional council and

**ASSEMBLY BILL 955****SECTION 14**

1 one of whom is appointed from the western regional council, for terms expiring on  
2 May 1, 2006.

3 (2) HEALTH POLICY BOARD; PROPOSED LEGISLATION. The health policy board shall,  
4 beginning on January 1, 1999, and ending on September 1, 1999, meet at least  
5 semimonthly to formulate decisions on issues concerning the Wisconsin universal  
6 health plan, as specified in section 52.20 (1) to (24) of the statutes, as created by this  
7 act. The health policy board shall convey these decisions to and cooperate with the  
8 legislative reference bureau in the drafting of proposed legislation that is necessary  
9 to meet those issues, for introduction in the legislature on or before January 11, 2000,  
10 by the appropriate committee of the legislature.

11 **SECTION 15. Nonstatutory provisions; legislative reference bureau.**

12 (1) DRAFTING PROPOSED LEGISLATION ON THE WISCONSIN UNIVERSAL HEALTH PLAN.  
13 The legislative reference bureau shall, after meeting with and receiving the  
14 decisions of the health policy board with respect to the Wisconsin universal health  
15 plan, prepare in proper form proposed legislation that shall relate to those decisions,  
16 for introduction on or before January 11, 2000, by the appropriate committee of the  
17 legislature.

18 **SECTION 16. Effective dates.** This act takes effect on the day after publication,  
19 except as follows:

20 (1) The creation of section 52.10 of the statutes takes effect on July 1, 2001.

21 (END)