

1

2

3

4

5

6

7

8

9

10

# State of Misconsin 2019 - 2020 LEGISLATURE

LRB-6233/1 MIM/TJD/SWB:amn&skw

### **2019 BILL**

AN ACT to repeal 49.45 (2p) and 49.45 (23); to amend 20.435 (4) (jw), 49.45 (23b) (title), 49.45 (23b) (b), 49.45 (23b) (c), 49.45 (23b) (e), 49.471 (4) (a) 4. b., 49.686 (3) (d), 103.025 (title), 103.10 (1) (c), 103.10 (2) (c), 103.10 (5) (a), 103.10 (8), 103.10 (9) (a) and (b), 103.10 (9) (c) 4., 103.10 (9) (d) and 103.10 (12) (d); and to create 16.34, 20.435 (4) (bu), 20.505 (1) (ft), 49.471 (1) (cr), 49.471 (4) (a) 8., 49.471 (4g), 49.681, 103.025 (1) (bm), 103.025 (3), 103.10 (1) (dm), 103.10 (4m), 609.887 and 632.895 (14f) of the statutes; relating to: hazard pay, paid medical leave, and health coverage for frontline health care workers, eligibility expansion under the Medical Assistance program, granting rule-making authority, and making an appropriation.

### Analysis by the Legislative Reference Bureau

Generally, this bill provides certain benefits for certain health care workers, including hazard pay, paid medical leave, state-funded testing and treatment for those uninsured, and insurance coverage for testing and treatment. The bill also accepts the Medicaid expansion.

#### **Employment**

The bill requires employers to provide hazard pay to certain health care workers during a public health emergency. The bill also requires employers to provide at least 15 days of paid medical leave for certain health care workers who contract a communicable disease. Under the bill, an employer may request a reimbursement from the Department of Administration for the paid medical leave and hazard pay.

## State coverage for treatment of uninsured health care workers and insurance coverage for health care workers

The bill requires the Department of Health Services to provide state payment for the testing and treatment for health care workers who have been diagnosed with or are under investigation of having COVID-19 or any other communicable disease. State coverage is available only if the individual has no other form of coverage or funding for treatment available from insurance, a health care coverage program, or under any grant, contract, or other contractual arrangement.

The bill requires every health insurance policy and every self-insured governmental health plan that generally covers testing for and treatment of infectious disease to provide coverage of testing for and treatment of COVID-19 or any other communicable disease for a frontline health care worker who has been diagnosed with or is under investigation of having COVID-19 or any other communicable disease without imposing any copayment or coinsurance. A health insurance policy is referred to in the bill as a disability insurance policy. For purposes of required insurance coverage and for the state coverage for uninsured health care workers, the treatment that must be covered is any treatment that is medically necessary and reasonably related to COVID-19 or any other communicable disease or complications from COVID-19 or other communicable disease.

#### Medicaid expansion

This bill accepts the Medicaid expansion by changing the family income eligibility level to up to 133 percent of the federal poverty line for parents and caretaker relatives under BadgerCare Plus and for childless adults currently covered under BadgerCare Plus Core and who are incorporated into BadgerCare Plus in this bill. BadgerCare Plus and BadgerCare Plus Core are programs under the state's Medical Assistance program, which provides health services to individuals who have limited financial resources. The federal Patient Protection and Affordable Care Act allows a state to receive an enhanced federal medical assistance percentage payment for providing benefits to certain individuals through a state's Medical Assistance program. The bill requires DHS to comply with all federal requirements and to request any amendment to the state Medical Assistance plan, waiver of Medicaid law, or other federal approval necessary to qualify for the highest available enhanced federal medical assistance percentage for childless adults under the BadgerCare Plus program. DHS must ensure that any increased funding resulting from the bill is used to improve access to and affordability of health care and to support health care quality for Wisconsin residents.

Under current law, certain parents and caretaker relatives with incomes of not more than 100 percent of the federal poverty line, before a 5 percent income disregard

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

is applied, are eligible for BadgerCare Plus benefits. Under current law, childless adults who 1) are under age 65; 2) have family incomes that do not exceed 100 percent of the federal poverty line, before a 5 percent income disregard is applied; and 3) are not otherwise eligible for Medical Assistance, including BadgerCare Plus, are eligible for benefits under BadgerCare Plus Core. The bill eliminates the childless adults demonstration project known as BadgerCare Plus Core.

This proposal may contain a health insurance mandate requiring a social and financial impact report under s. 601.423, stats.

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:

**Section 1.** 16.34 of the statutes is created to read:

16.34 Hazard pay during a public health emergency; paid medical leave for frontline health care workers. (1) Definition. In this section, "frontline health care worker" means an individual who is any of the following, who is not exempt under 29 USC 213, and whose annual pay does not exceed \$99,999:

- (a) A provider of direct care to patients in a hospital, nursing home, or residence.
- (b) An employee who works in a patient care area of a facility that provides direct patient care.
- (c) An individual who handles patient specimens within this state within the scope of employment.
- (d) An employee who works in an area where patient specimens are handled at a facility that handles patient specimens within this state.
- (2) HAZARD PAY GRANT PROGRAM FOR WORK DURING A PUBLIC HEALTH EMERGENCY.

  (a) From the appropriation under s. 20.505 (1) (ft), the department shall award grants to employers for the payment of hazard pay to frontline health care workers

who work during a public health emergency declared by the governor under s. 323.10 or the secretary of health services under s. 252.02, as set forth in s. 103.025 (3).

- (b) The department shall establish and administer a program to subsidize, as provided in s. 103.025 (3), the hazard pay costs for frontline health care workers. The department shall require, at a minimum, that the employer provide a sworn affidavit of compliance, and payroll records if requested by the department. The governor or his or her designee within the department may determine the period of applicability of this subsection.
- (3) Paid medical leave grant program for frontline health care workers.

  (a) From the appropriation under s. 20.505 (1) (ft), the department shall award grants to employers for the provision of paid medical leave to frontline health care workers who contract a communicable disease, as set forth in s. 103.10 (4m).
- (b) The department shall establish and administer a program to subsidize, as provided in s. 103.10 (4m), the paid medical leave costs for frontline health care workers. The department shall require, at a minimum, that the employer provide a sworn affidavit of compliance, and payroll records if requested by the department. The governor or his or her designee within the department may determine the period of applicability of this subsection.
- (4) Coverage of COVID-19 for health care workers. (a) From the appropriation under s. 20.505 (1) (ft), the department shall award grants to insurers for the provision of health insurance coverage to frontline health care workers as set forth in s. 632.895 (14f).
- (b) The department shall establish and administer a program to subsidize, as provided in s. 632.895 (14f), the costs of providing coverage for frontline health care workers at no additional cost to the covered individuals. The governor or his or her

Section 1

**BILL** 

23

24

1 designee within the department may determine the period of applicability of this 2 subsection. 3 **Section 2.** 20.435 (4) (bu) of the statutes is created to read: 4 20.435 (4) (bu) COVID-19 and other communicable disease aids for frontline 5 health care workers. A sum sufficient not to exceed in each fiscal year the difference 6 between \$165.011,600 per fiscal year and the amount after payments have been 7 made under s. 16.34, for testing and treatment of frontline health care workers under 8 s. 49.681. 9 **Section 3.** 20.435 (4) (jw) of the statutes is amended to read: 10 20.435 (4) (jw) BadgerCare Plus and hospital assessment. All moneys received 11 from payment of enrollment fees under the program under s. 49.45 (23), all moneys 12 transferred under s. 50.38 (9), all moneys transferred from the appropriation account under par. (jz), and 10 percent of all moneys received from penalty assessments 13 14 under s. 49.471 (9) (c), for administration of the program under s. 49.45 (23), to 15 provide a portion of the state share of administrative costs for the BadgerCare Plus 16 Medical Assistance program under s. 49.471, and for administration of the hospital 17 assessment under s. 50.38. **Section 4.** 20.505 (1) (ft) of the statutes is created to read: 18 19 20.505 (1) (ft) Health care coverage and employee benefits relating to COVID-19 20 and other communicable diseases. A sum sufficient not to exceed in each fiscal year 21\$165,011,600 for payments under s. 16.34 (2), (3), and (4). 22**SECTION 5.** 49.45 (2p) of the statutes is repealed.

**Section 6.** 49.45 (23) of the statutes is repealed.

**Section 7.** 49.45 (23b) (title) of the statutes is amended to read:

49.45 <b>(23b)</b> (title)	$C \\ \text{HILDLESS} \\$	ADULTS	DEMONSTRATION	PROJECT	REFORM	WAIVER
IMPLEMENTATION REQUIRE	D.					

- **SECTION 8.** 49.45 (23b) (b) of the statutes is amended to read:
- 49.45 **(23b)** (b) Beginning as soon as practicable after October 31, 2018, and ending no sooner than December 31, 2023, the department shall do all of the following with regard to the childless adults demonstration project under sub. (23) s. 49.471 (4) (a) 8.:
- 1. Require in each month persons, except exempt individuals, who are eligible to receive Medical Assistance under sub. (23) s. 49.471 (4) (a) 8. and who are at least 19 years of age but have not attained the age of 50 to participate in, document, and report 80 hours per calendar month of community engagement activities. The department, after finding good cause, may grant a temporary exemption from the requirement under this subdivision upon request of a Medical Assistance recipient.
- 2. Require persons with incomes of at least 50 percent of the poverty line to pay premiums in accordance with par. (c) as a condition of eligibility for Medical Assistance under sub. (23) s. 49.471 (4) (a) 8.
- 3. Require as a condition of eligibility for Medical Assistance under sub. (23) s. 49.471 (4) (a) 8. completion of a health risk assessment.
- 4. Charge recipients of Medical Assistance under sub. (23) s. 49.471 (4) (a) 8. an \$8 copayment for nonemergency use of the emergency department in accordance with 42 USC 1396o-1 (e) (1) and 42 CFR 447.54.
- 5. Disenroll from Medical Assistance under sub. (23) s. 49.471 (4) (a) 8. for 6 months any individual who does not pay a required premium under subd. 2. and any individual who is required under subd. 1. to participate in a community engagement

**SECTION 8** 

**BILL** 

 $\mathbf{2}$ 

activity but who does not participate for 48 aggregate months in the community engagement activity.

**Section 9.** 49.45 (23b) (c) of the statutes is amended to read:

- 49.45 (23b) (c) 1. Persons who are eligible for the demonstration project under sub. (23) s. 49.471 (4) (a) 8. and who have monthly household income that exceeds 50 percent of the poverty line shall pay a monthly premium amount of \$8 per household. A person who is eligible to receive an item or service furnished by an Indian health care provider is exempt from the premium requirement under this subdivision.
- 2. The department may disenroll under par. (b) 5. a person for nonpayment of a required monthly premium only at annual eligibility redetermination after providing notice and reasonable opportunity for the person to pay. If a person who is disenrolled for nonpayment of premiums pays all owed premiums or becomes exempt from payment of premiums, he or she may reenroll in Medical Assistance under sub. (23) s. 49.471 (4) (a) 8.
- 3. The department shall reduce the amount of the required household premium by up to half for a recipient of Medical Assistance under sub. (23) s. 49.471 (4) (a) 8. who does not engage in certain behaviors that increase health risks or who attests to actively managing certain unhealthy behaviors.

**SECTION 10.** 49.45 (23b) (e) of the statutes is amended to read:

49.45 **(23b)** (e) Before December 31, 2023, the demonstration project requirements under this subsection may not be withdrawn and the department may not request from the federal government withdrawal, suspension, or termination of the demonstration project requirements under this subsection unless legislation has been enacted specifically allowing for the withdrawal, suspension, or termination.

1

4

8

13

14

15

16

17

18

19

20

21

22

23

24

25

SECTION 11	19 171 (1)	(cr) of the statutes	s is created to read	
SECTION II.	49.47111	rterror the statutes	s is created to read	Ξ

- 49.471 (1) (cr) "Enhanced federal medical assistance percentage" means a federal medical assistance percentage described under 42 USC 1396d (y) or (z).
  - **Section 12.** 49.471 (4) (a) 4. b. of the statutes is amended to read:
- 49.471 (4) (a) 4. b. The individual's family income does not exceed 100 133 percent of the poverty line before application of the 5 percent income disregard under 42 CFR 435.603 (d).
  - **Section 13.** 49.471 (4) (a) 8. of the statutes is created to read:
- 9 49.471 (4) (a) 8. An individual who meets all of the following criteria:
- a. The individual is an adult under the age of 65.
- b. The adult has a family income that does not exceed 133 percent of the poverty line, except as provided in sub. (4g).
  - c. The adult is not otherwise eligible for the Medical Assistance program under this subchapter or the Medicare program under 42 USC 1395 et seq.
    - **Section 14.** 49.471 (4g) of the statutes is created to read:
  - 49.471 (4g) Medicaid expansion; federal medical assistance percentage. For services provided to individuals described under sub. (4) (a) 8., the department shall comply with all federal requirements to qualify for the highest available enhanced federal medical assistance percentage. The department shall submit any amendment to the state medical assistance plan, request for a waiver of federal Medicaid law, or other approval request required by the federal government to provide services to the individuals described under sub. (4) (a) 8. beginning on July 1, 2020, and qualify for the highest available enhanced federal medical assistance percentage. Sections 20.940 and 49.45 (2t) do not apply to a submission to the federal government under this subsection.

 $\mathbf{2}$ 

**Section 15.** 49.681 of the statutes is created to read:

# 49.681 COVID-19 and other communicable disease aids for frontline health care workers. (1) In this section:

- (a) "COVID-19" means an infection caused by the SARS-CoV-2 coronavirus.
- (b) "Frontline health care worker" has the meaning given in s. 16.34 (1).
- (2) From the appropriation under s. 20.435 (4) (bu), subject to sub. (3), the department shall pay, at a rate determined by the department under sub. (4), for testing for and any treatment that is medically necessary and reasonably related to COVID-19 or any other communicable disease or complications from COVID-19 or other communicable disease for frontline health care workers who have been diagnosed with or are a patient under investigation of having COVID-19 or any other communicable disease.
- (3) No payment may be made under this section unless the recipient has no other form of coverage available from the federal Medicare program, from private health, accident, sickness, medical, and hospital insurance coverage, from any other available state, federal, or other health care coverage program, or under any grant, contract, or other contractual arrangement. If at any time federal or private insurance aid, other health care coverage, or a grant, contract, or other contractual arrangement becomes available during the treatment period, state aid under this section shall be terminated.
- (4) Payment for services provided under this section shall be at a rate determined by the department that does not exceed the allowable charges under the federal Medicare program. In no case shall state rates for individual service elements exceed the federally defined allowable costs. The rate of charges for services not covered by public and private insurance shall not exceed the reasonable

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

21

22

23

24

BILL MIM/TJD/SWE

- charges as established by Medicare fee determination procedures. A person that provides to a patient a service for which payment is provided under this section shall accept the amount paid under this section for the service as payment in full and may not bill the patient for any amount by which the charge for the service exceeds the amount paid for the service under this section.

  (5) The department may promulgate rules to establish a process for individuals
- (5) The department may promulgate rules to establish a process for individuals to establish eligibility and apply for and receive benefits under this section.
  - **SECTION 16.** 49.686 (3) (d) of the statutes is amended to read:
- 49.686 (3) (d) Has applied for coverage under and has been denied eligibility for medical assistance within 12 months prior to application for reimbursement under sub. (2). This paragraph does not apply to an individual who is eligible for benefits under the demonstration project for childless adults under s. 49.45 (23) BadgerCare Plus under s. 49.471 (4) (a) 8. or to an individual who is eligible for benefits under BadgerCare Plus under s. 49.471 (11).
  - **SECTION 17.** 103.025 (title) of the statutes is amended to read:
- 16 103.025 (title) Hours of labor; compensatory time; hazard pay.
- **SECTION 18.** 103.025 (1) (bm) of the statutes is created to read:
- 18 103.025 (1) (bm) "Frontline health care worker" has the meaning given in s.
  19 16.34 (1).
- **Section 19.** 103.025 (3) of the statutes is created to read:
  - 103.025 (3) During a public health emergency declared by the governor under s. 323.10 or pursuant to an emergency order issued by the secretary of health services under s. 252.02, an employer shall pay frontline health care workers a hazard pay premium of 1.5 times the employee's hourly rate, or an additional \$15 per hour,

25

1	whichever is more. An employer may apply for a grant under s. 16.34 (2) (a) to pay
2	the hazard pay premium.
3	<b>Section 20.</b> 103.10 (1) (c) of the statutes is amended to read:
4	103.10 (1) (c) Except as provided in sub. subs. (1m) (b) 3. and (4m) (a)
5	"employer" means a person engaging in any activity, enterprise or business in this
6	state employing at least 50 individuals on a permanent basis. "Employer" includes
7	the state and any office, department, independent agency, authority, institution
8	association, society or other body in state government created or authorized to be
9	created by the constitution or any law, including the legislature and the courts.
10	<b>Section 21.</b> 103.10 (1) (dm) of the statutes is created to read:
11	103.10 (1) (dm) "Frontline health care worker" has the meaning given in s
12	16.34 (1).
13	<b>Section 22.</b> 103.10 (2) (c) of the statutes is amended to read:
14	103.10 (2) (c) This Except as provided in sub. (4m), this section only applies to
15	an employee who has been employed by the same employer for more than 52
16	consecutive weeks and who worked for the employer for at least 1,000 hours during
17	the preceding 52-week period.
18	<b>Section 23.</b> 103.10 (4m) of the statutes is created to read:
19	103.10 (4m) Paid medical leave for frontline health care workers. (a) Ar
20	employer that employs at least one employee shall provide at least 15 days of paid
21	medical leave in addition to any leave provided under sub. (4) (a) to a frontline health
22	care worker who is employed by the employer and who contracts a communicable
23	disease. The employee does not need to meet the length of employment or
24	hours-worked standard set forth in sub. (2) (c).

(b) An employer may apply for a grant under s. 16.34(3)(a).

SECTION 24.	103.10	(5)	(a)	of	the	statutes	is	amended	to	read:
-------------	--------	-----	-----	----	-----	----------	----	---------	----	-------

103.10 (5) (a) This Except as provided in sub. (4m), this section does not entitle an employee to receive wages or salary while taking family leave or medical leave.

**Section 25.** 103.10 (8) of the statutes is amended to read:

- 103.10 (8) Position upon return from leave. (a) Subject to par. (c), when an employee returns from family leave or, medical leave, or paid medical leave as a frontline health care worker, his or her employer shall immediately place the employee in an employment position as follows:
- 1. If the employment position which the employee held immediately before the family leave or, medical leave, or paid medical leave as a frontline health care worker began is vacant when the employee returns, in that position.
- 2. If the employment position which the employee held immediately before the family leave or, medical leave, or paid medical leave as a frontline health care worker began is not vacant when the employee returns, in an equivalent employment position having equivalent compensation, benefits, working shift, hours of employment and other terms and conditions of employment.
- (b) No employer may, because an employee received family leave or, medical leave, or paid medical leave as a frontline health care worker, reduce or deny an employment benefit which accrued to the employee before his or her leave began or, consistent with sub. (9), accrued after his or her leave began.
- (c) Notwithstanding par. (a), if an employee on a medical or <u>leave</u>, family leave, <u>or paid medical leave as a frontline health care worker</u> wishes to return to work before the end of the leave as scheduled, the employer shall place the employee in an employment position of the type described in par. (a) 1. or 2. within a reasonable time not exceeding the duration of the leave as scheduled.

 $\mathbf{2}$ 

**Section 26.** 103.10 (9) (a) and (b) of the statutes are amended to read:

103.10 (9) (a) Except as provided in par. (b), nothing in this section entitles a returning employee to a right, employment benefit or employment position to which the employee would not have been entitled had he or she not taken family leave or, medical leave, or paid medical leave as a frontline health care worker or to the accrual of any seniority or employment benefit during a period of family leave or, medical leave, or paid medical leave as a frontline health care worker.

(b) Subject to par. (c), during a period an employee takes family leave of, medical leave, or paid medical leave as a frontline health care worker, his or her employer shall maintain group health insurance coverage under the conditions that applied immediately before the family leave or medical leave began. If the employee continues making any contribution required for participation in the group health insurance plan, the employer shall continue making group health insurance premium contributions as if the employee had not taken the family leave or medical leave.

**Section 27.** 103.10 (9) (c) 4. of the statutes is amended to read:

103.10 (9) (c) 4. If an employee ends his or her employment with an employer during or within 30 days after a period of family leave or, medical leave, or paid medical leave as a frontline health care worker, the employer may deduct from the amount returned to the employee under subd. 3. any premium or similar expense paid by the employer for the employee's group health insurance coverage while the employee was on family leave or medical the leave.

**Section 28.** 103.10 (9) (d) of the statutes is amended to read:

103.10 **(9)** (d) If an employee ends his or her employment with an employer during or at the end of a period of family leave or, medical leave, or paid medical leave

as a frontline health care worker, the time period for conversion to individual coverage under s. 632.897 (6) shall be calculated as beginning on the day that the employee began the period of family leave or medical leave.

**Section 29.** 103.10 (12) (d) of the statutes is amended to read:

103.10 (12) (d) The department shall issue its decision and order within 30 days after the hearing. If the department finds that an employer violated sub. (11) (a) or (b), it may order the employer to take action to remedy the violation, including providing requested family leave or, medical leave, or paid medical leave as a frontline health care worker, reinstating an employee, providing back pay accrued not more than 2 years before the complaint was filed and paying reasonable actual attorney fees to the complainant.

**Section 30.** 609.887 of the statutes is created to read:

609.887 Coverage of COVID-19 for health care workers. Defined network plans, preferred provider plans, and limited service health organizations are subject to s. 632.895 (14f).

**Section 31.** 632.895 (14f) of the statutes is created to read:

632.895 (14f) Coverage of COVID-19 for health care workers. (a) In this subsection:

- 1. "COVID-19" means an infection caused by the SARS-CoV-2 coronavirus.
- 2. "Frontline health care worker" has the meaning given in s. 16.34 (1).
- (b) Every disability insurance policy, and every self-insured health plan of the state or of a county, city, town, village, or school district, that generally covers testing and treatment for infectious diseases shall provide coverage of testing and any treatment that is medically necessary and reasonably related to COVID-19 or any other communicable disease or complications of COVID-19 or other communicable

1

 $\mathbf{2}$ 

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

MIM/TJD/SWB:amn&skw SECTION 31

disease for frontline health care workers who have been diagnosed with or are a patient under investigation for having COVID-19 or any other communicable disease, without imposing any copayment or coinsurance on the individual covered under the policy or plan. An insurer may apply for a grant from the department of administration for a subsidy for the costs of this coverage, as set forth in s. 16.34 (4) (b).

#### Section 32. Nonstatutory provisions.

CHILDLESS ADULTS DEMONSTRATION PROJECT. The department of health services shall submit any necessary request to the federal department of health and human services for a state plan amendment or waiver of federal Medicaid law or to modify or withdraw from any waiver of federal Medicaid law relating to the childless adults demonstration project under s. 49.45 (23), 2017 stats., to reflect the incorporation of recipients of Medical Assistance under the demonstration project into the BadgerCare Plus program under s. 49.471 and the termination of the demonstration project. Sections 20.940 and 49.45 (2t) do not apply to a submission to the federal government under this subsection.

#### SECTION 33. Fiscal changes.

In the schedule under s. 20.005 (3) for the (1) MEDICAID EXPANSION. appropriation to the department of health services under s. 20.435 (4) (b), the dollar amount for fiscal year 2020-21 is decreased by \$165,011,600 to expand eligibility under the Medical Assistance program under s. 49.471 (4) (a) 4. and 8.

**Section 34. Effective dates.** This act takes effect on the day after publication, except as follows:

1

2

3

4

BILL SECTION 34

(END)
the first day of the 7th month beginning after publication, whichever is later.
and 49.45 (23) and (23b) (title), (b), (c), and (e) takes effect on January 1, 2021, or on
(1) Elimination of Demonstration Project. The treatment of ss. 20.435 (4) (jw)