



State of Wisconsin
2025 - 2026 LEGISLATURE

LRB-5839/1

KMS:cdc

2025 BILL

1 **AN ACT** *to renumber and amend* 146.905 (1); *to amend* 146.905 (2); *to create*
2 146.905 (1g) and 146.905 (3) of the statutes; **relating to:** allowing discounts
3 for prompt payment of health care fees.

Analysis by the Legislative Reference Bureau

This bill specifies that discounts for prompt payment do not violate prohibitions on reducing certain fees for health care services. Under current state law, a health care provider is prohibited from reducing or offering to reduce coinsurance or a deductible of an individual covered under a health insurance policy that is required under the terms of the policy, unless paying the amount would be an undue financial hardship to the individual. Under this bill, a discount offered by a health care provider to an individual covered under a health insurance policy is exempt from that prohibition if the discount satisfies all of the following: the health care provider offers the discount for prompt payment without regard to the issuer of the individual's health insurance policy or the reason for the individual seeking the product or service; the amount of the discount bears a reasonable relationship to the amount that the health care provider avoids in collection costs by prompt payment but is no more than 15 percent of the fee owed; the health care provider notifies the issuer of the health insurance policy of the prompt payment discount policy but, unless required by law, does not publicly advertise the discount; the health care provider does not provide the discount prior to the service being

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scheduled or outside the provider's ordinary course of dealing with patients; and the health care provider does not shift the cost of the discount to any other payer or, except as allowed by law, include the discount in an agreement with a third-party payer. Health insurance policies are referred to as disability insurance policies in the bill.

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

1 **SECTION 1.** 146.905 (1) of the statutes is renumbered 146.905 (1r) and
2 amended to read:

3 146.905 (1r) Except as provided in sub. (2), a health care provider, ~~as defined~~
4 ~~in s. 146.81 (1) (a) to (p)~~, that provides a service or a product to an individual with
5 coverage under a disability insurance policy, ~~as defined in s. 632.895 (1) (a)~~, may not
6 reduce or eliminate or offer to reduce or eliminate coinsurance or a deductible
7 required under the terms of the disability insurance policy.

8 **SECTION 2.** 146.905 (1g) of the statutes is created to read:

9 146.905 (1g) In this section:

10 (a) "Disability insurance policy" has the meaning given in s. 632.895 (1) (a).

11 (b) "Health care provider" has the meaning given in s. 146.81 (1) (a) to (p).

12 **SECTION 3.** 146.905 (2) of the statutes is amended to read:

13 146.905 (2) Subsection ~~(1)~~ (1r) does not apply if payment of the total fee would
14 impose an undue financial hardship on the individual receiving the service or
15 product.

16 **SECTION 4.** 146.905 (3) of the statutes is created to read:

17 146.905 (3) (a) It is not a violation of sub. (1r) or s. 628.34 for a health care

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1 provider to discount a fee owed by an individual who is covered under a disability
2 insurance policy if all of the following are satisfied:

3 1. The health care provider does all of the following:

4 a. Offers the discount for prompt payment for products or services but without
5 regard to the issuer of the individual's disability insurance policy or the individual's
6 reason for seeking the product or service for which the payment is being made.

7 b. Notifies the issuer of the disability insurance policy of the prompt payment
8 discount policy of the health care provider by posting the most up-to-date version of
9 the discount policy on the health care provider's website.

10 c. Provides a discount in an amount that bears a reasonable relationship to
11 the amount that the health care provider avoids in collection costs by prompt
12 payment and is no more than 15 percent of the fee owed.

13 2. The health care provider does not do any of the following:

14 a. Shift the cost of the discount to any other individual or payer.

15 b. Include the discount in a price reduction agreement with a 3rd-party payer,
16 except as allowed under state or federal law.

17 c. Unless required by law, publicly advertise the discount. Merely posting a
18 discount policy on a health care provider's website pursuant to subd. 1. b. does not
19 constitute a public advertisement under this subd. 2. c.

20 d. Provide the discount prior to the service being scheduled or outside of the
21 health care provider's ordinary course of dealing with patients. Under this subd. 2.
22 d., the ordinary course of dealing with patients includes when a patient registers for
23 or schedules a service, a patient pays their cost-sharing amount, the health care

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1 provider sends a written statement to a patient by mail or electronic delivery, or
2 financial arrangements are made between the health care provider and the patient.

3 (b) Nothing in par. (a) does any of the following:

4 1. Requires a health care provider to discount a fee owed by an individual who
5 is covered under a disability insurance policy.

6 2. Authorizes a discount that conflicts with federal law or regulation,
7 including 42 USC 1320a-7b (b) and 42 USC 1320a-7a (a) (5).

8 3. Supersedes the terms of a health care provider's contract with a disability
9 insurance policy unless otherwise agreed by the parties to the contract.

10 (END)