



Exceptions to the *Wellstone-Domenici Act* and the *Wisconsin Parity Act*

Identical to the provisions in the *Wellstone-Domenici Act*, the *Wisconsin Parity Act* includes an Exemption for Cost Increase, permitting employers who can show that parity has increased their total insurance costs by **two percent** in the first year, and then **one percent** in later plan years, to opt out for **one plan year at a time**. It is not anticipated that we will see much of this because reported cost increases have been below the “trigger”: both because of the exception and because employers are unlikely to want to keep modifying their benefits from year to year.

The *Wisconsin Parity Act* also contains an Exemption for Small Employers which will allow employers with fewer than 10 employees to opt out of compliance with the parity provisions for one plan year at a time.

Under both of these exceptions, commercially insured providers covered by Wisconsin law would still be required to offer the minimal level of coverage that existed prior to the *Wisconsin Parity Act* (e.g., \$7,000 per year).