



1997 SENATE BILL 246

June 17, 1997 - Introduced by Senators CLAUSING, ROESSLER and BURKE, cosponsored by Representatives CULLEN, WASSERMAN, SERATTI, SYKORA, NOTESTEIN, R. YOUNG, L. YOUNG, BOYLE, J. LEHMAN and ROBSON. Referred to Committee on Insurance, Tourism and Rural Affairs.

1 **AN ACT to amend** 40.51 (8), 40.51 (8m), 185.981 (4t) and 185.983 (1) (intro.); and
2 **to create** 631.95 of the statutes; **relating to:** prohibiting certain insurance
3 practices on the basis of domestic abuse.

Analysis by the Legislative Reference Bureau

This bill prohibits an insurer from refusing to provide or renew coverage to a person or a group, or from canceling a person's or group's coverage, under any type of insurance policy solely on the basis that the person or a member of the group has been or may be a victim of child or domestic abuse or that a member of the person's or a group member's family has been or may be a victim of child or domestic abuse. (Under the statutes, domestic abuse refers to abuse of an adult family or household member.) An insurer is also prohibited from using as a factor in determining rates, or any other aspect of insurance coverage, the knowledge or suspicion that a person or group member has been or may be a victim of child or domestic abuse or that a member of the person's or a group member's family has been or may be a victim of child or domestic abuse.

A health insurer is prohibited from excluding or limiting coverage to a person or a group under a health insurance policy (called disability insurance policy in the statutes), or from denying a claim, for services or items related to the treatment of injury or disease resulting from child or domestic abuse solely on the basis that the person or a group member has been or may be a victim of child or domestic abuse or that a member of the person's or a group member's family has been or may be a victim of child or domestic abuse. A life insurer is prohibited from denying or limiting

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benefits to a beneficiary in the event that the death of the person whose life is insured results from child or domestic abuse solely on the basis that the person whose life is insured has been or may be a victim of child or domestic abuse or that a member of the family of the person whose life is insured has been or may be a victim of child or domestic abuse. A life insurer may, however, deny or limit benefits to a beneficiary who perpetrates child or domestic abuse that results in the death of the person whose life is insured.

The bill requires an insurer that denies coverage to a person or group under any type of insurance policy to advise the applicant in writing of the reasons for the denial. Insurers are already required under current law to specify in a cancellation or nonrenewal notice the basis for the cancellation or nonrenewal of an insurance policy.

Finally, with certain exceptions, the bill prohibits a person employed by an insurer or contracting with an insurer from using, disclosing or transferring certain personal information related to child or domestic abuse, such as information about whether a person or group member, or a member of the person's or group member's family, has been or may be a victim of child or domestic abuse and information about any medical condition of a person or group member, or member of the person's or group member's family, that is or may be the result of child or domestic abuse. The bill also prohibits a person employed by an insurer or contracting with an insurer from disclosing or transferring information related to the telephone number or address of a person or group member who is an insured or applicant for insurance.

Current law contains 2 provisions that are somewhat similar to the provisions in the bill. An insurer may not condition the provision of insurance coverage on, or consider in the determination of rates or any other aspect of insurance coverage, whether a person has obtained, or if obtained the results of, a test for the presence of human immunodeficiency virus (HIV), antigen or nonantigenic products of HIV or an antibody to HIV, or whether a person or a member of the person's family has obtained, or if obtained the results of, a genetic test.

For further information see the *state and local* 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.** 40.51 (8) of the statutes, as affected by 1995 Wisconsin Act 289, is
2 amended to read:

3 40.51 (8) Every health care coverage plan offered by the state under sub. (6)
4 shall comply with ss. 631.89, 631.90, 631.93 (2), 631.95, 632.72 (2), 632.745 (1) to (3)
5 and (5), 632.747, 632.87 (3) to (5), 632.895 (5m) and (8) to (10) and 632.896.

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1 **SECTION 2.** 40.51 (8m) of the statutes, as affected by 1995 Wisconsin Act 289,
2 is amended to read:

3 40.51 **(8m)** Every health care coverage plan offered by the group insurance
4 board under sub. (7) shall comply with ss. 631.95, 632.745 (1) to (3) and (5) and
5 632.747.

6 **SECTION 3.** 185.981 (4t) of the statutes, as affected by 1995 Wisconsin Act 289,
7 is amended to read:

8 185.981 **(4t)** A sickness care plan operated by a cooperative association is
9 subject to ss. 252.14, 631.89, 631.95, 632.72 (2), 632.745, 632.747, 632.749, 632.87
10 (2m), (3), (4) and (5), 632.895 (10) and 632.897 (10) and ch. 155.

11 **SECTION 4.** 185.983 (1) (intro.) of the statutes, as affected by 1995 Wisconsin
12 Act 289, is amended to read:

13 185.983 **(1)** (intro.) Every such voluntary nonprofit sickness care plan shall be
14 exempt from chs. 600 to 646, with the exception of ss. 601.04, 601.13, 601.31, 601.41,
15 601.42, 601.43, 601.44, 601.45, 611.67, 619.04, 628.34 (10), 631.89, 631.93, 631.95,
16 632.72 (2), 632.745, 632.747, 632.749, 632.775, 632.79, 632.795, 632.87 (2m), (3), (4)
17 and (5), 632.895 (5), (9) and (10), 632.896 and 632.897 (10), subch. II of ch. 619 and
18 chs. 609, 630, 635, 645 and 646, but the sponsoring association shall:

19 **SECTION 5.** 631.95 of the statutes is created to read:

20 **631.95 Restrictions on insurance practices; domestic abuse. (1)** In this
21 section:

22 (a) "Abuse" has the meaning given in s. 813.122 (1) (a).

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

24 (c) "Domestic abuse" has the meaning given in s. 813.12 (1) (a).

25 **(2)** An insurer may not do any of the following:

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1 (a) Refuse to provide or renew coverage to a person, or cancel a person's
2 coverage, under an individual insurance policy or group certificate solely on the basis
3 that the person has been or may be a victim of abuse or domestic abuse or that a
4 member of the person's family has been or may be a victim of abuse or domestic abuse.

5 (b) Refuse to provide or renew coverage to an employer or other group, or cancel
6 an employer's or other group's coverage, under a group insurance policy solely on the
7 basis that an employe or other group member has been or may be a victim of abuse
8 or domestic abuse or that a member of an employe's or other group member's family
9 has been or may be a victim of abuse or domestic abuse.

10 (c) Use as a factor in the determination of rates or any other aspect of insurance
11 coverage under an individual or group insurance policy or a group certificate the
12 knowledge or suspicion that a person or an employe or other group member has been
13 or may be a victim of abuse or domestic abuse or that a member of the person's or an
14 employe's or other group member's family has been or may be a victim of abuse or
15 domestic abuse.

16 (d) Under an individual or group disability insurance policy or group
17 certificate, exclude or limit coverage of, or deny a claim for, health care services or
18 items related to the treatment of injury or disease resulting from abuse or domestic
19 abuse solely on the basis that a person or an employe or other group member has been
20 or may be a victim of abuse or domestic abuse or that the person's or an employe's
21 or other group member's family member has been or may be a victim of abuse or
22 domestic abuse.

23 (e) Under an individual life insurance policy or group certificate, deny or limit
24 benefits in the event that the death of the person whose life is insured results from
25 abuse or domestic abuse solely on the basis that the person whose life is insured has

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1 been or may be a victim of abuse or domestic abuse or that a member of the family
2 of the person whose life is insured has been or may be a victim of abuse or domestic
3 abuse, except that the insurer may deny or limit benefits under such a policy to a
4 beneficiary who is the perpetrator of abuse or domestic abuse that results in the
5 death of the person whose life is insured.

6 **(3)** An insurer that denies coverage under an individual or group insurance
7 policy or a group certificate shall advise the applicant in writing of the reasons for
8 the denial.

9 **(4)** (a) Except for a purpose related to the direct provision of health care
10 services, no person employed by or contracting with an insurer may use, disclose or
11 transfer information related to any of the following:

12 1. Whether an insured or applicant for insurance or a member of the insured's
13 or applicant's family, or whether an employe or other group member of an insured
14 or applicant for insurance or a member of the employe's or other group member's
15 family, has been or may be a victim of abuse or domestic abuse.

16 2. Any medical condition of an insured or applicant for insurance or a member
17 of the insured's or applicant's family, or of an employe or other group member of an
18 insured or applicant for insurance or a member of the employe's or other group
19 member's family, that is or may be the result of abuse or domestic abuse.

20 3. Whether an insured or applicant for insurance, or whether an employe or
21 other group member of an insured or applicant for insurance, is a family member or
22 associate of, or a person in a relationship with, a person who has been or may have
23 been a victim of abuse or domestic abuse.

24 4. Whether an insured or an applicant for insurance is an employer of a person
25 who has been or may have been a victim of abuse or domestic abuse.

