



State of Wisconsin  
2021 - 2022 LEGISLATURE

LRB-0477/1  
TJD:skw

## 2021 SENATE BILL 247

March 25, 2021 - Introduced by Senators KOOYENGA, BALLWEG, STROEBEL, BERNIER and WANGGAARD, cosponsored by Representatives NEYLON, SANFELIPPO, ALLEN, ARMSTRONG, BRANDTJEN, BROOKS, CABRAL-GUEVARA, DITTRICH, EDMING, JAMES, GUNDRUM, KERKMAN, KITCHENS, KNODL, MAGNAFICI, MOSES, NOVAK, PETRYK, RAMTHUN, J. RODRIGUEZ, ROZAR, SCHRAA, SKOWRONSKI, SORTWELL, SUMMERFIELD, TAUCHEN, THIESFELDT, TITTL, TRANEL, TUSLER, VANDERMEER and WICHGERS. Referred to Committee on Insurance, Licensing and Forestry.

1     **AN ACT** *to repeal* 632.7495 (4) (a) to (d); *to renumber and amend* 632.7495 (4)  
2           (intro.); and *to amend* 632.7495 (5) of the statutes; **relating to:** short-term  
3           health coverage duration.

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### *Analysis by the Legislative Reference Bureau*

Under current law, an insurer is not required to renew short-term health coverage, which is coverage that is marketed and designed to provide short-term coverage as a bridge between health coverage with an initial term of not more than 12 months and an aggregate term of all consecutive periods of coverage not exceeding 18 months. The federal regulation defining this short-term, limited-duration insurance, effective on August 3, 2018, has the same initial term but specifies an aggregate duration, including renewals or extensions, of no longer than 36 months. This federal regulation allows states to set a shorter maximum aggregate duration, as Wisconsin law had done before the regulation was effective.

This bill replicates the definition of short-term, limited-duration coverage in the 2018 federal regulation. Specifically, the bill extends the cumulative duration to no longer than 36 months, including all renewals and extensions. Under the bill, the initial expiration date specified in the contract for short-term, limited-duration coverage must be less than 12 months after the contract's effective date, which retains Wisconsin's requirement for the initial contract term. Current state law allows the commissioner of insurance to promulgate rules relating to the sale of these short-term, limited duration health plans, and the bill retains this authorization

