



1997 ASSEMBLY BILL 222

March 27, 1997 – Introduced by Representatives CULLEN, WASSERMAN, ROBSON, RYBA, HARSORF, CARPENTER, BOCK, KRUG, BRANDEMUEHL, KREUSER, BALDWIN, KRUSICK, NOTESTEIN, BOYLE and BLACK, cosponsored by Senators BURKE, MOEN, WIRCH and GROBSCHMIDT. Referred to Committee on Mandates.

1 **AN ACT** *to amend* 40.51 (8), 60.23 (25), 66.184, 120.13 (2) (g), 185.981 (4t) and
2 185.983 (1) (intro.); *to repeal and recreate* 40.51 (8), 40.51 (8m), 60.23 (25),
3 66.184, 120.13 (2) (g), 185.981 (4t) and 185.983 (1) (intro.); and *to create* 40.51
4 (8m), 111.91 (2) (n) and 632.895 (11) of the statutes; **relating to:** insurance
5 coverage of hospital or home care after childbirth and granting rule-making
6 authority.

Analysis by the Legislative Reference Bureau

This bill requires every health insurance policy (called “disability insurance policy” in the statutes), including health care plans offered by health maintenance organizations, preferred provider plans and the state, and every self-insured health plan of the state or a county, city, village, town or school district, to provide coverage of inpatient hospital services or home care visits, or a combination of both, for a specified length of time after the birth of a child if the policy or plan provides maternity coverage. The bill requires coverage of at least 48 hours of inpatient hospital services or home care visits, or a combination of both, after childbirth for mother and child if the child was born by natural childbirth, and coverage of at least 96 hours of inpatient hospital services or home care visits, or a combination of both, after childbirth for mother and child if the child was born by caesarean section. The required coverage may be subject to deductibles or copayments that apply to coverage of other services under the policy or plan. The bill also specifies that for

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purposes of coverage, the type of services and the length of time that the services are provided are at the discretion of the mother's or child's health care provider in consultation with the mother. Insurers and administrators and self-insurers of self-insured health plans are prohibited from taking any adverse action against a health care provider who recommends or orders a hospital stay or home care visits after the birth of a child for the length of time for which coverage is required under the bill. In addition, insurers and administrators of self-insured health plans to which the coverage requirement applies are required to provide notice of the requirement to insureds at the earlier of the commencement or renewal of the insured's coverage.

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 is amended to read:

2 40.51 (8) Every health care coverage plan offered by the state under sub. (6)
3 shall comply with ss. 631.89, 631.90, 631.93 (2), 632.72 (2), 632.87 (3) to (5), 632.895
4 (5m) and (8) to ~~(10)~~ (11) and 632.896.

5 **SECTION 2.** 40.51 (8) of the statutes, as affected by 1995 Wisconsin Act 289 and
6 1997 Wisconsin Act (this act), is repealed and recreated to read:

7 40.51 (8) Every health care coverage plan offered by the state under sub. (6)
8 shall comply with ss. 631.89, 631.90, 631.93 (2), 632.72 (2), 632.745 (1) to (3) and (5),
9 632.747, 632.87 (3) to (5), 632.895 (5m) and (8) to (11) and 632.896.

10 **SECTION 3.** 40.51 (8m) of the statutes is created to read:

11 40.51 (8m) Every health care coverage plan offered by the group insurance
12 board under sub. (7) shall comply with s. 632.895 (11).

13 **SECTION 4.** 40.51 (8m) of the statutes, as affected by 1995 Wisconsin Act 289
14 and 1997 Wisconsin Act (this act), is repealed and recreated to read:

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1 40.51 **(8m)** Every health care coverage plan offered by the group insurance
2 board under sub. (7) shall comply with ss. 632.745 (1) to (3) and (5), 632.747 and
3 632.895 (11).

4 **SECTION 5.** 60.23 (25) of the statutes is amended to read:

5 60.23 **(25)** SELF-INSURED HEALTH PLANS. Provide health care benefits to its
6 officers and employes on a self-insured basis if the self-insured plan complies with
7 ss. 631.89, 631.90, 631.93 (2), 632.87 (4) and (5), 632.895 (9) and (11) and 632.896.

8 **SECTION 6.** 60.23 (25) of the statutes, as affected by 1995 Wisconsin Act 289 and
9 1997 Wisconsin Act (this act), is repealed and recreated to read:

10 60.23 **(25)** SELF-INSURED HEALTH PLANS. Provide health care benefits to its
11 officers and employes on a self-insured basis if the self-insured plan complies with
12 ss. 631.89, 631.90, 631.93 (2), 632.745 (2), (3) and (5) (a) 2. and (b) 2., 632.747 (3),
13 632.87 (4) and (5), 632.895 (9) and (11) and 632.896.

14 **SECTION 7.** 66.184 of the statutes is amended to read:

15 **66.184 Self-insured health plans.** If a city, including a 1st class city, or a
16 village provides health care benefits under its home rule power, or if a town provides
17 health care benefits, to its officers and employes on a self-insured basis, the
18 self-insured plan shall comply with ss. 49.493 (3) (d), 631.89, 631.90, 631.93 (2),
19 632.87 (4) and (5), 632.895 (9) ~~and (10)~~ to (11), 632.896, 767.25 (4m) (d) and 767.51
20 (3m) (d).

21 **SECTION 8.** 66.184 of the statutes, as affected by 1995 Wisconsin Act 289 and
22 1997 Wisconsin Act (this act), is repealed and recreated to read:

23 **66.184 Self-insured health plans.** If a city, including a 1st class city, or a
24 village provides health care benefits under its home rule power, or if a town provides
25 health care benefits, to its officers and employes on a self-insured basis, the

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1 self-insured plan shall comply with ss. 49.493 (3) (d), 631.89, 631.90, 631.93 (2),
2 632.745 (2), (3) and (5) (a) 2. and (b) 2., 632.747 (3), 632.87 (4) and (5), 632.895 (9) to
3 (11), 632.896, 767.25 (4m) (d) and 767.51 (3m) (d).

4 **SECTION 9.** 111.91 (2) (n) of the statutes is created to read:

5 111.91 (2) (n) The provision to employes of the health insurance coverage
6 required under s. 632.895 (11).

7 **SECTION 10.** 120.13 (2) (g) of the statutes is amended to read:

8 120.13 (2) (g) Every self-insured plan under par. (b) shall comply with ss.
9 49.493 (3) (d), 631.89, 631.90, 631.93 (2), 632.87 (4) and (5), 632.895 (9) ~~and (10) to~~
10 (11), 632.896, 767.25 (4m) (d) and 767.51 (3m) (d).

11 **SECTION 11.** 120.13 (2) (g) of the statutes, as affected by 1995 Wisconsin Act 289
12 and 1997 Wisconsin Act (this act), is repealed and recreated to read:

13 120.13 (2) (g) Every self-insured plan under par. (b) shall comply with ss.
14 49.493 (3) (d), 631.89, 631.90, 631.93 (2), 632.745 (2), (3) and (5) (a) 2. and (b) 2.,
15 632.747 (3), 632.87 (4) and (5), 632.895 (9) to (11), 632.896, 767.25 (4m) (d) and 767.51
16 (3m) (d).

17 **SECTION 12.** 185.981 (4t) of the statutes is amended to read:

18 185.981 (4t) A sickness care plan operated by a cooperative association is
19 subject to ss. 252.14, 631.89, 632.72 (2), 632.87 (2m), (3), (4) and (5), 632.895 (10) and
20 (11) and 632.897 (10) and ch. 155.

21 **SECTION 13.** 185.981 (4t) of the statutes, as affected by 1995 Wisconsin Act 289
22 and 1997 Wisconsin Act (this act), is repealed and recreated to read:

23 185.981 (4t) A sickness care plan operated by a cooperative association is
24 subject to ss. 252.14, 631.89, 632.72 (2), 632.745, 632.747, 632.749, 632.87 (2m), (3),
25 (4) and (5), 632.895 (10) and (11) and 632.897 (10) and ch. 155.

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1 **SECTION 14.** 185.983 (1) (intro.) of the statutes is amended to read:

2 185.983 (1) (intro.) Every such voluntary nonprofit sickness care plan shall be
3 exempt from chs. 600 to 646, with the exception of ss. 601.04, 601.13, 601.31, 601.41,
4 601.42, 601.43, 601.44, 601.45, 611.67, 619.04, 628.34 (10), 631.89, 631.93, 632.72
5 (2), 632.775, 632.79, 632.795, 632.87 (2m), (3), (4) and (5), 632.895 (5), ~~(9) and (10)~~
6 and (9) to (11), 632.896 and 632.897 (10), subch. II of ch. 619 and chs. 609, 630, 635,
7 645 and 646, but the sponsoring association shall:

8 **SECTION 15.** 185.983 (1) (intro.) of the statutes, as affected by 1995 Wisconsin
9 Act 289 and 1997 Wisconsin Act (this act), is repealed and recreated to read:

10 185.983 (1) (intro.) Every such voluntary nonprofit sickness care plan shall be
11 exempt from chs. 600 to 646, with the exception of ss. 601.04, 601.13, 601.31, 601.41,
12 601.42, 601.43, 601.44, 601.45, 611.67, 619.04, 628.34 (10), 631.89, 631.93, 632.72
13 (2), 632.745, 632.747, 632.749, 632.775, 632.79, 632.795, 632.87 (2m), (3), (4) and (5),
14 632.895 (5) and (9) to (11), 632.896 and 632.897 (10), subch. II of ch. 619 and chs. 609,
15 630, 635, 645 and 646, but the sponsoring association shall:

16 **SECTION 16.** 632.895 (11) of the statutes is created to read:

17 632.895 (11) INPATIENT HOSPITAL SERVICES AND HOME CARE VISITS AFTER
18 CHILDBIRTH. (a) Every disability insurance policy, and every self-insured health plan
19 of the state or a county, city, village, town or school district, that provides maternity
20 coverage shall provide coverage for mother and child of the usual and customary
21 charges for all of the following:

22 1. After the birth of a child by vaginal delivery, inpatient hospital services or
23 home care visits, or a combination of both, related to the birth of the child for a period
24 of at least 48 hours.

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1 2. After the birth of a child by caesarean section, inpatient hospital services or
2 home care visits, or a combination of both, related to the birth of the child for a period
3 of at least 96 hours.

4 (b) For purposes of the coverage required under par. (a), the type of care
5 provided, whether inpatient hospital services or home care visits or a combination
6 of both, as well as the length of time that the care is provided, shall be at the
7 discretion of the mother's or child's health care provider in consultation with the
8 mother.

9 (c) The coverage required under par. (a) may be subject to any copayments or
10 deductibles that apply generally under the policy or plan to other covered services.

11 (d) An insurer providing coverage under a disability insurance policy described
12 in par. (a), or an administrator or self-insurer of a self-insured health plan described
13 in par. (a), may not take any adverse action against a health care provider on the
14 basis that the health care provider recommended or ordered, on one or more
15 occasions, inpatient hospital services or home care visits, or a combination of both,
16 after the birth of a child for the length of time required under par. (a) for coverage
17 of such services.

18 (e) Every insurer that issues or renews a policy described in par. (a) on or after
19 the effective date of this paragraph [revisor inserts date], shall provide written
20 notice of the provisions of pars. (a) to (d) and of any rules promulgated under par. (f)
21 to the insureds under the policy at the issuance of a new policy or first renewal of a
22 policy in effect on the effective date of this paragraph [revisor inserts date]. Every
23 administrator of a self-insured health plan described in par. (a) that is established,
24 extended, modified or renewed on or after the effective date of this paragraph
25 [revisor inserts date], shall provide written notice of the provisions of pars. (a) to (d)

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1 and of any rules promulgated under par. (f) to the insureds under the plan at the
2 establishment of a new plan or extension, modification or renewal, whichever occurs
3 first, of a plan in existence on the effective date of this paragraph [revisor inserts
4 date]. The notice required under this paragraph may be provided as part of any
5 written policy, group certificate or plan provided to an insured at the same time.

6 (f) The commissioner shall promulgate rules regarding home care visits for
7 which coverage is required under par. (a) that address all of the following:

- 8 1. Qualifications of persons providing home care visits.
- 9 2. Reasonable and appropriate frequency of visits.
- 10 3. Reasonable and appropriate duration of individual visits.

11 **SECTION 17. Nonstatutory provisions.**

12 (1) The commissioner of insurance shall submit in proposed form the rules
13 required under section 632.895 (11) (f) of the statutes, as created by this act, to the
14 legislative council staff under section 227.15 (1) of the statutes no later than the first
15 day of the 3rd month beginning after the effective date of this subsection.

16 **SECTION 18. Initial applicability.**

17 (1) This act first applies to all of the following:

18 (a) Except as provided in paragraphs (b) and (c), disability insurance policies
19 that are issued or renewed, and self-insured health plans that are established,
20 extended, modified or renewed, on the effective date of this paragraph.

21 (b) Disability insurance policies covering employes who are affected by a
22 collective bargaining agreement containing provisions inconsistent with this act
23 that are issued or renewed on the earlier of the following:

- 24 1. The day on which the collective bargaining agreement expires.

