

2001 SENATE BILL 376

January 11, 2002 – Introduced by Senator DECKER, cosponsored by Representative MILLER. Referred to Committee on Insurance, Tourism, and Transportation.

1 **AN ACT to amend** 631.83 (1) (b); and **to create** 631.83 (1) (bp) of the statutes;
2 **relating to:** limiting the amount of time for an insurer to recover an
3 overpayment of a health insurance claim.

Analysis by the Legislative Reference Bureau

Under current law, most legal actions based on insurance policies, which are contracts, must be commenced within six years after the cause of action accrues, which means, generally, after the breach of contract occurs. There are a few exceptions for actions based on specific types of insurance policies; for example, an action on a fire insurance policy must be commenced within 12 months after the inception of the loss.

This bill places a limit on the amount of time within which an insurer may commence an action for recovery of an overpayment of an insurance claim paid under a health insurance policy, without fault on the part of the insured or payee. Such an action must be commenced within one year after the overpayment was made or it is barred.

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

4 **SECTION 1.** 631.83 (1) (b) of the statutes is amended to read:

