

2003 DRAFTING REQUEST

Bill

Received: 08/14/2003

Received By: pkahler

Wanted: As time permits

Identical to LRB:

For: Joseph Leibham (608) 266-2056

By/Representing: Patrick VanderSanden

This file may be shown to any legislator: NO

Drafter: pkahler

May Contact:

Addl. Drafters:

Subject: Insurance - other insurance

Extra Copies: CMH, DAK

Submit via email: YES

Requester's email: Sen.Leibham@legis.state.wi.us

Carbon copy (CC:) to:

Pre Topic:

No specific pre topic given

Topic:

Notice of payment for care only if provider is licensed

Instructions:

See Attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	pkahler 08/19/2003	kgilfoy 08/20/2003		_____			
/1			chaskett 08/21/2003	_____	sbasford 08/21/2003	sbasford 09/10/2003 sbasford 09/10/2003	

Vers. Drafted Reviewed Typed Proofed Submitted Jacketed Required

FE Sent For:

<END>

2003 DRAFTING REQUEST

Bill

Received: **08/14/2003**

Received By: **pkahler**

Wanted: **As time permits**

Identical to LRB:

For: **Joseph Leibham (608) 266-2056**

By/Representing: **Patrick VanderSanden**

This file may be shown to any legislator: **NO**

Drafter: **pkahler**

May Contact:

Addl. Drafters:

Subject: **Insurance - other insurance**

Extra Copies: **CMH, DAK**

Submit via email: **YES**

Requester's email: **Sen.Leibham@legis.state.wi.us**

Carbon copy (CC:) to:

Pre Topic:

No specific pre topic given

Topic:

Notice of payment for care only if provider is licensed

Instructions:

See Attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	pkahler 08/19/2003	kgilfoy 08/20/2003		_____			
/1			chaskett 08/21/2003	_____	sbasford 08/21/2003		

FE Sent For:

<END>

2003 DRAFTING REQUEST

Bill

Received: 08/14/2003

Received By: pkahler

Wanted: As time permits

Identical to LRB:

For: Joseph Leibham (608) 266-2056

By/Representing: Patrick VanderSanden

This file may be shown to any legislator: NO

Drafter: pkahler

May Contact:

Addl. Drafters:

Subject: Insurance - other insurance

Extra Copies: CMH, DAK

Submit via email: YES

Requester's email: Sen.Leibham@legis.state.wi.us

Carbon copy (CC:) to:

Pre Topic:

No specific pre topic given

Topic:

Notice of payment for care only if provider is licensed

Instructions:

See Attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	pkahler	1 - 8/20 Kmg	1 8/20 cph	self 8/21			

FE Sent For:

<END>

Kahler, Pam

From: Vander Sanden, Patrick
Sent: Wednesday, August 13, 2003 4:32 PM
To: Kahler, Pam
Subject: Drafting Request

Hi Pam,

My boss would like to draft legislation to correct a situation that we have learned from a constituent. An In-Home, long term care provider is concerned with insurance companies who are selling long term health care insurance to people. People are buying these plans with the assumption that when the time comes that they need care, they will be covered. The problem is that many of these policies specify that they will pay out on care only if the care is provided by licensed providers.

Our constituent provider is a an unlicensed in-home care provider who has had many people talk to him about becoming clients - they tell him they have this coverage to pay expenses, but they have to be turned away because their policies specify the requirement for licensed providers. He said that the vast majority of care givers in the state are unlicensed, so potentially countless people in the state are getting "duped" by these plans.

We would like to draft legislation to the effect that would require the insurance companies in Wisconsin who sell these long term care plans to specify clearly to prospective policyholders that their coverage would only cover licensed long term care providers. This would be an effort to correct situations like the one our constituent told us about.

If you have questions or need further information, please let me know. I also ask you to let me know if you foresee any problem or circumstances that I may not be aware of.

Thanks - and if this is not in your area of expertise, please let me know who is at the LRB.

Patrick

Patrick B. Vander Sanden
Office of State Senator Joe Leibham
409 South, State Capitol
(608) 266-2056

*if policy requires licensed,
reg or act or employed
by an agency or funded
that it lic, reg, or act,
must state conspicuously*

A very curious situation. Why isn't the
constituent licensed?

There is no category of "licensed long-term care
provider".

I'm not entirely sure what long-term care
insurance usually covers, but the kinds of
providers that would be likely to be covered
are:

1. Adult family home certified under s. 50.032(1m).
2. Adult family home licensed under s. 50.033(1m).
3. Community-based residential facility licensed
under s. 50.02(1).
4. Home health agency licensed under s. 50.49(4).
5. Nursing home licensed under s. 50.02(1).
6. Residential care apartment complex certified
under s. 50.034(1)(a) or registered under
s. 50.034(1)(b).
7. Hospice licensed under s. 50.92(2).

Individual providers (such as RN's, home health
aides, etc.) would, I think, be connected with
a facility or a home health agency.



State of Wisconsin
2003 - 2004 LEGISLATURE

LRB-3118/2

PJKs

Handwritten initials and a large number '1' in the top right corner.

PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

D-note

general

1 AN ACT *general*; relating to: disclosure requirement for coverage of long-term care.

Analysis by the Legislative Reference Bureau

This bill requires that, if a long-term care insurance policy does not cover care unless it is provided by a provider who is licensed, registered, or certified to provide nursing, medical, or personal care services, or who is employed by a facility that is so licensed, registered, or certified, the insurer or agent selling the policy must orally advise a prospective buyer of that requirement. In addition, the requirement must be conspicuously displayed on the first page of the policy, as are various other insurance provisions under current law, including the name of the insurer, whether a policy is assessable, and an individual's rights concerning the return of a disability insurance policy.

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

- 2 SECTION 1. 40.55 (6) of the statutes is created to read:
- 3 40.55 (6) Section 628.385 ✓ applies to a long-term care insurance policy offered
- 4 under this section.
- 5 SECTION 2. 628.385 of the statutes is created to read:

1 **628.385 Disclosure of long-term care provider requirements.** If a
 2 long-term care insurance policy covers care only if the provider of the care is licensed,
 3 registered, or certified to provide nursing, medical or personal care services, or is
 4 employed by a facility that is licensed, registered, or certified to provide nursing,
 5 medical or personal care services, the insurer or insurer's agent shall orally advise
 6 a prospective buyer of the policy of that requirement before the sale of the policy, and
 7 the policy shall conspicuously display that requirement on the first page, in type that
 8 is at least as large as any used in the body of the policy.

9 **628.385 Disclosure of long-term care provider requirements.** If a
 10 long-term care insurance policy does not cover the services of a provider unless the
 11 provider is licensed, registered, or certified to provide nursing, medical, or personal
 12 care services, or is employed by a facility that is licensed, registered, or certified to
 13 provide nursing, medical, or personal care services, the insurer or insurer's agent
 14 shall orally advise a prospective buyer of the policy of that requirement before the
 15 sale of the policy, and the policy shall conspicuously display that requirement on the
 16 first page, in type that is at least as large as any used in the body of the policy.

17 **SECTION 3.** 631.31 (1) (a) of the statutes is amended to read:

18 631.31 (1) (a) *Corporate name.* The name of the insurer as required by s.
 19 631.64.

History: 1975 c. 375; 1981 c. 218.

20 **SECTION 4.** 631.31 (1) (b) of the statutes is amended to read:

21 631.31 (1) (b) *Several liability.* Information that 2 or more insurers undertake
 22 only several liability, as required by s. 631.41.

History: 1975 c. 375; 1981 c. 218.

23 **SECTION 5.** 631.31 (1) (c) of the statutes is amended to read:

1 631.31 (1) (c) *Assessability*. That the policy is assessable, as required by s.
2 631.65;

3 History: 1975 c. 375; 1981 c. 218.

3 **SECTION 6.** 631.31 (1) (d) of the statutes is amended to read:

4 631.31 (1) (d) *Variable benefits*. A statement that benefits are variable, as
5 required by s. 632.45 (1); ~~and~~.

6 History: 1975 c. 375; 1981 c. 218.

6 **SECTION 7.** 631.31 (1) (f) of the statutes is created to read:

7 631.31 (1) (f) *Long-term care provider requirement*. That long-term care is
8 covered only if the provider is licensed, registered, or certified, as required by s.
9 628.385.

10 **SECTION 8. Initial applicability.**

11 (1) The treatment of sections 628.385 and 631.31 (1) (f) of the statutes first
12 applies to long-term care insurance policies that are offered for sale on the effective
13 date of this subsection.

14 **SECTION 9. Effective date.**

15 (1) This act takes effect on the first day of the 4th month beginning after
16 publication.

17

(END)

D - vote

**DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU**

LRB-3118/dn

PJK:.....
King

1. I have drafted this provision in a very general way because there is no single type of provider of long-term care. There are, however, many different types of providers or facilities that *could* provide long-term care; some are licensed, some are registered, and some are certified.
2. The amendments to s. 631.31 (1) (a) to (d) are technical amendments to conform these paragraphs to current statutory format. ✓

Pamela J. Kahler
Senior Legislative Attorney
Phone: (608) 266-2682
E-mail: pam.kahler@legis.state.wi.us

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-3118/1dn
PJK:kmg:eph

August 21, 2003

1. I have drafted this provision in a very general way because there is no single type of provider of long-term care. There are, however, many different types of providers or facilities that *could* provide long-term care; some are licensed, some are registered, and some are certified.
2. The amendments to s. 631.31 (1) (a) to (d) are technical amendments to conform these paragraphs to current statutory format.

Pamela J. Kahler
Senior Legislative Attorney
Phone: (608) 266-2682
E-mail: pam.kahler@legis.state.wi.us

Basford, Sarah

From: Vander Sanden, Patrick
Sent: Tuesday, September 09, 2003 6:08 PM
To: LRB.Legal
Subject: Draft review: LRB 03-3118/1 Topic: Notice of payment for care only if provider is licensed

It has been requested by <Vander Sanden, Patrick> that the following draft be jacketed for the SENATE:

Draft review: LRB 03-3118/1 Topic: Notice of payment for care only if provider is licensed