

**ASSEMBLY SUBSTITUTE AMENDMENT 2,
TO 2007 SENATE BILL 88**

March 4, 2008 – Offered by COMMITTEE ON INSURANCE.

1 **AN ACT** *to amend* 40.51 (8), 40.51 (8m), 66.0137 (4), 111.91 (2) (n), 120.13 (2) (g),
2 185.981 (4t) and 185.983 (1) (intro.); and *to create* 609.86 and 632.895 (16) of
3 the statutes; **relating to:** requiring health insurance coverage of hearing aids
4 and cochlear implants for infants and young children.

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

5 **SECTION 1.** 40.51 (8) of the statutes, as affected by 2007 Wisconsin Act 36, is
6 amended 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), 631.95, 632.72 (2), 632.746 (1) to (8)
9 and (10), 632.747, 632.748, 632.83, 632.835, 632.85, 632.853, 632.855, 632.87 (3) to
10 ~~(5)~~ (6), 632.895 (5m) and (8) to ~~(15)~~ (16), and 632.896.

11 **SECTION 2.** 40.51 (8m) of the statutes, as affected by 2007 Wisconsin Act 36, is
12 amended to read:

1 40.51 **(8m)** Every health care coverage plan offered by the group insurance
2 board under sub. (7) shall comply with ss. 631.95, 632.746 (1) to (8) and (10), 632.747,
3 632.748, 632.83, 632.835, 632.85, 632.853, 632.855, and 632.895 (11) to ~~(15)~~ (16).

4 **SECTION 3.** 66.0137 (4) of the statutes, as affected by 2007 Wisconsin Act 36,
5 is amended to read:

6 66.0137 **(4)** SELF-INSURED HEALTH PLANS. If a city, including a 1st class city, or
7 a village provides health care benefits under its home rule power, or if a town
8 provides health care benefits, to its officers and employees on a self-insured basis,
9 the self-insured plan shall comply with ss. 49.493 (3) (d), 631.89, 631.90, 631.93 (2),
10 632.746 (10) (a) 2. and (b) 2., 632.747 (3), 632.85, 632.853, 632.855, 632.87 (4) ~~and~~,
11 (5), ~~and (6)~~, 632.895 (9) to ~~(15)~~ (16), 632.896, and ~~767.25 (4m) (d)~~ 767.513 (4).

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

13 111.91 **(2)** (n) The provision to employees of the health insurance coverage
14 required under s. 632.895 (11) to (14), ~~and (16)~~.

15 **SECTION 5.** 120.13 (2) (g) of the statutes, as affected by 2007 Wisconsin Act 36,
16 is amended to read:

17 120.13 **(2)** (g) Every self-insured plan under par. (b) shall comply with ss.
18 49.493 (3) (d), 631.89, 631.90, 631.93 (2), 632.746 (10) (a) 2. and (b) 2., 632.747 (3),
19 632.85, 632.853, 632.855, 632.87 (4) ~~and~~, (5), ~~and (6)~~, 632.895 (9) to ~~(15)~~ (16), 632.896,
20 and ~~767.25 (4m) (d)~~ 767.513 (4).

21 **SECTION 6.** 185.981 (4t) of the statutes, as affected by 2007 Wisconsin Act 36,
22 is amended to read:

23 185.981 **(4t)** A sickness care plan operated by a cooperative association is
24 subject to ss. 252.14, 631.17, 631.89, 631.95, 632.72 (2), 632.745 to 632.749, 632.85,

1 632.853, 632.855, 632.87 (2m), (3), (4), ~~and (5), and (6)~~, 632.895 (10) to ~~(15) (16)~~, and
2 632.897 (10) and chs. 149 and 155.

3 **SECTION 7.** 185.983 (1) (intro.) of the statutes, as affected by 2007 Wisconsin
4 Act 36, is amended to read:

5 185.983 (1) (intro.) Every such voluntary nonprofit sickness care plan shall be
6 exempt from chs. 600 to 646, with the exception of ss. 601.04, 601.13, 601.31, 601.41,
7 601.42, 601.43, 601.44, 601.45, 611.67, 619.04, 628.34 (10), 631.17, 631.89, 631.93,
8 631.95, 632.72 (2), 632.745 to 632.749, 632.775, 632.79, 632.795, 632.85, 632.853,
9 632.855, 632.87 (2m), (3), (4), ~~and (5), and (6)~~, 632.895 (5) and (9) to ~~(15) (16)~~, 632.896,
10 and 632.897 (10) and chs. 609, 630, 635, 645, and 646, but the sponsoring association
11 shall:

12 **SECTION 8.** 609.86 of the statutes is created to read:

13 **609.86 Coverage of hearing aids and cochlear implants for infants and**
14 **young children.** Defined network plans are subject to s. 632.895 (16).

15 **SECTION 9.** 632.895 (16) of the statutes is created to read:

16 632.895 (16) HEARING AIDS AND COCHLEAR IMPLANTS FOR INFANTS AND YOUNG
17 CHILDREN. (a) In this subsection:

18 1. “Hearing aid” has the meaning given in s. 459.01 (2).

19 2. “Physician” has the meaning given in s. 448.01 (5).

20 (b) 1. Subject to pars. (c) and (d) and except as provided in par. (e), every
21 disability insurance policy, and every self-insured health plan of the state or a
22 county, city, town, village, or school district, shall provide coverage of the cost of
23 hearing aids or cochlear implants for a child covered under the policy or plan who is
24 under 11 years of age and who is certified as deaf or hearing impaired by a physician
25 or by an audiologist licensed under subch. II of ch. 459.

1 2. Coverage of the cost of hearing aids under this subsection is not required to
2 exceed the cost of one hearing aid per ear per child more often than once every 3 years.

3 3. The coverage required under this subsection may be subject to any
4 cost-sharing provisions, limitations, or exclusions, other than a preexisting
5 condition exclusion, that apply generally under the disability insurance policy or
6 self-insured health plan.

7 (c) If a child who, as a dependent of his or her parent, first obtains coverage
8 under a group disability insurance policy or self-insured health plan after the
9 effective date of this paragraph [revisor inserts date], receives a hearing aid or
10 cochlear implant within the first year after the effective date of the coverage and then
11 discontinues the coverage before one year from the date on which the coverage was
12 effective, the group disability insurance policy or self-insured health plan shall
13 provide the coverage as required under this subsection but may require that benefits
14 paid for the cost of the hearing aid or cochlear implant be reimbursed if the coverage
15 required under par. (b) would have been subject to a preexisting condition exclusion
16 but for par. (b) 3. This paragraph does not apply if the child's coverage is discontinued
17 because the employer through which the parent received coverage discontinued the
18 coverage or because the parent was terminated or laid off from the employment
19 through which the parent received the coverage.

20 (d) 1. Notwithstanding par. (b) 3., an individual disability insurance policy may
21 impose up to a one-year preexisting condition exclusion with respect to the coverage
22 required under this subsection for cochlear implants.

23 2. If a child who, as a dependent of his or her parent, first obtains coverage
24 under an individual disability insurance policy after the effective date of this
25 subdivision [revisor inserts date], receives a hearing aid within the first year after

1 the effective date of the coverage and then discontinues the coverage before one year
2 from the date on which the coverage was effective, the individual disability insurance
3 policy shall provide the coverage as required under this subsection but may require
4 that benefits paid for the cost of the hearing aid be reimbursed if the coverage
5 required under par. (b) with respect to hearing aids would have been subject to a
6 preexisting condition exclusion but for par. (b) 3.

7 3. If an individual disability insurance policy denies coverage to a child or the
8 child's family and the child would be eligible as specified in par. (b) 1. for coverage
9 of hearing aids or cochlear implants, the disability insurance policy shall advise the
10 child's family of the availability of coverage for hearing aids and cochlear implants
11 under the BadgerCare Plus program under s. 49.471 under the benefits described in
12 s. 49.46 (2) (a) and (b).

13 (e) This subsection does not apply to any of the following:

14 1. A disability insurance policy that covers only certain specified diseases.

15 2. A health care plan offered by a limited service health organization, as defined
16 in s. 609.01 (3), or by a preferred provider plan, as defined in s. 609.01 (4), that is not
17 a defined network plan, as defined in s. 609.01 (1b).

18 3. A long-term care insurance policy.

19 4. A medicare replacement policy or a medicare supplement policy.

20 **SECTION 10. Initial applicability.**

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

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

