



2007 SENATE BILL 154

April 19, 2007 - Introduced by Senators ROESSLER, TAYLOR, KREITLOW, LASSA and LEHMAN, cosponsored by Representatives NYGREN, ALBERS, BALLWEG, BERCEAU, BOYLE, CULLEN, GUNDERSON, MOLEPSKE, A. OTT, PETROWSKI, TOWNSEND and TRAVIS. Referred to Committee on Transportation, Tourism and Insurance.

1 **AN ACT** *to amend* 40.51 (8), 40.51 (8m), 66.0137 (4), 120.13 (2) (g), 185.981 (4t)
2 and 185.983 (1) (intro.); and *to create* 111.91 (2) (nm), 609.76 and 632.895 (15)
3 of the statutes; **relating to:** health insurance coverage of a full-time student
4 on medical leave.

Analysis by the Legislative Reference Bureau

Under this bill, every health insurance policy, including health care plans offered by the state, and every self-insured health plan of the state or a county, city, village, town, or school district, that provides dependent coverage for a person because he or she is a full-time student must continue to provide coverage for the person if he or she ceases to be a full-time student because of a medically necessary leave of absence. The coverage continuation begins when the person submits documentation and certification from his or her attending physician of the medical necessity of the leave of absence. The coverage must continue only until the person becomes employed full time, marries and is eligible for coverage under his or her spouse's health care plan, obtains coverage under another health care plan, advises the policy or plan that he or she no longer intends to return to school full time, or reaches the age at which coverage for a full-time student as a dependent would otherwise end. Additionally, if the coverage of the insured through whom the student has dependent coverage is discontinued or not renewed, the student's coverage ends. If none of these events occurs, however, for one year from the date on which the coverage continuation began and the person has not returned to school full time, the person's coverage may end.

SENATE BILL 154

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), 631.95, 632.72 (2), 632.746 (1) to (8)
4 and (10), 632.747, 632.748, 632.83, 632.835, 632.85, 632.853, 632.855, 632.87 (3) to
5 (5), 632.895 (5m) and (8) to ~~(14)~~ (15), and 632.896.

6 **SECTION 2.** 40.51 (8m) of the statutes is amended to read:

7 40.51 (8m) Every health care coverage plan offered by the group insurance
8 board under sub. (7) shall comply with ss. 631.95, 632.746 (1) to (8) and (10), 632.747,
9 632.748, 632.83, 632.835, 632.85, 632.853, 632.855, and 632.895 (11) to ~~(14)~~ (15).

10 **SECTION 3.** 66.0137 (4) of the statutes is amended to read:

11 66.0137 (4) SELF-INSURED HEALTH PLANS. If a city, including a 1st class city, or
12 a village provides health care benefits under its home rule power, or if a town
13 provides health care benefits, to its officers and employees on a self-insured basis,
14 the self-insured plan shall comply with ss. 49.493 (3) (d), 631.89, 631.90, 631.93 (2),
15 632.746 (10) (a) 2. and (b) 2., 632.747 (3), 632.85, 632.853, 632.855, 632.87 (4) and (5),
16 632.895 (9) to ~~(14)~~ (15), 632.896, and 767.25 (4m) (d).

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

18 111.91 (2) (nm) The requirements related to continuing coverage for a
19 dependent student on a medical leave of absence under s. 632.895 (15).

20 **SECTION 5.** 120.13 (2) (g) of the statutes is amended to read:

SENATE BILL 154

1 120.13 **(2)** (g) Every self-insured plan under par. (b) shall comply with ss.
2 49.493 (3) (d), 631.89, 631.90, 631.93 (2), 632.746 (10) (a) 2. and (b) 2., 632.747 (3),
3 632.85, 632.853, 632.855, 632.87 (4) and (5), 632.895 (9) to ~~(14)~~ (15), 632.896, and
4 767.25 (4m) (d).

5 **SECTION 6.** 185.981 (4t) of the statutes is amended to read:

6 185.981 **(4t)** A sickness care plan operated by a cooperative association is
7 subject to ss. 252.14, 631.17, 631.89, 631.95, 632.72 (2), 632.745 to 632.749, 632.85,
8 632.853, 632.855, 632.87 (2m), (3), (4), and (5), 632.895 (10) to ~~(14)~~ (15), and 632.897
9 (10) and chs. 149 and 155.

10 **SECTION 7.** 185.983 (1) (intro.) of the statutes is amended to read:

11 185.983 **(1)** (intro.) Every such voluntary nonprofit sickness care plan shall be
12 exempt from chs. 600 to 646, with the exception of ss. 601.04, 601.13, 601.31, 601.41,
13 601.42, 601.43, 601.44, 601.45, 611.67, 619.04, 628.34 (10), 631.17, 631.89, 631.93,
14 631.95, 632.72 (2), 632.745 to 632.749, 632.775, 632.79, 632.795, 632.85, 632.853,
15 632.855, 632.87 (2m), (3), (4), and (5), 632.895 (5) and (9) to ~~(14)~~ (15), 632.896, and
16 632.897 (10) and chs. 609, 630, 635, 645, and 646, but the sponsoring association
17 shall:

18 **SECTION 8.** 609.76 of the statutes is created to read:

19 **609.76 Coverage of student on medical leave.** Limited service health
20 organizations, preferred provider plans, and defined network plans are subject to s.
21 632.895 (15).

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

23 632.895 **(15)** **COVERAGE OF STUDENT ON MEDICAL LEAVE.** (a) Subject to pars. (b)
24 and (c), every disability insurance policy, and every self-insured health plan of the
25 state or a county, city, town, village, or school district, that provides coverage for a

SENATE BILL 154**SECTION 9**

1 person as a dependent of the insured because the person is a full-time student shall
2 continue to provide dependent coverage for the person if, due to a medically
3 necessary leave of absence, he or she ceases to be a full-time student.

4 (b) A policy or plan is not required to continue coverage under par. (a) unless
5 the person submits documentation and certification of the medical necessity of the
6 leave of absence from the person's attending physician. The date on which the person
7 submits the documentation and certification shall be the date on which the coverage
8 continuation under par. (a) begins.

9 (c) A policy or plan is required to continue coverage under par. (a) only until any
10 of the following occurs:

11 1. The person advises the policy or plan that he or she does not intend to return
12 to school full time.

13 2. The person becomes employed full time.

14 3. The person obtains other health care coverage.

15 4. The person marries and is eligible for coverage under his or her spouse's
16 health care coverage.

17 5. The person reaches the age at which coverage as a dependent who is a
18 full-time student would otherwise end under the terms and conditions of the policy
19 or plan.

20 6. Coverage of the insured through whom the person has dependent coverage
21 under the policy or plan is discontinued or not renewed.

22 7. One year has elapsed since the person's coverage continuation under par. (a)
23 began and the person has not returned to school full time.

SECTION 10. Initial applicability.

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