



**ASSEMBLY AMENDMENT 1,
TO 2009 ASSEMBLY BILL 100**

April 14, 2009 – Offered by Representative RICHARDS.

1 At the locations indicated, amend the bill as follows:

2 **1.** Page 1, line 4: after “renewal,” insert “renewal exception for short-term
3 individual health benefit plans,”.

4 **2.** Page 4, line 4: after that line insert:

5 “**SECTION 5d.** 632.7495 (4) of the statutes is renumbered 632.7495 (4) (intro.)
6 and amended to read:

7 632.7495 (4) (intro.) ~~Notwithstanding~~ Except as the commissioner may provide
8 by rule under sub. (5) and notwithstanding subs. (1) and (2) and s. 631.36 (4), an
9 insurer is not required to renew individual health benefit plan coverage that
10 complies with all of the following:

11 (a) The coverage is marketed and designed to provide short-term coverage as
12 a bridge between coverages.

13 **SECTION 5f.** 632.7495 (4) (b) of the statutes is created to read:

1 632.7495 **(4)** (b) The coverage has a term of not more than 12 months.

2 **SECTION 5h.** 632.7495 (4) (c) of the statutes is created to read:

3 632.7495 **(4)** (c) The coverage term aggregated with all consecutive periods of
4 the insurer’s coverage of the insured by individual health benefit plan coverage not
5 required to be renewed under this subsection does not exceed 18 months. For
6 purposes of this paragraph, coverage periods are consecutive if there are no more
7 than 63 days between the coverage periods.

8 **SECTION 5j.** 632.7495 (4) (d) of the statutes is created to read:

9 632.7495 **(4)** (d) Rules promulgated by the commissioner under sub. (5).

10 **SECTION 5m.** 632.7495 (5) of the statutes is created to read:

11 632.7495 **(5)** The commissioner shall promulgate rules governing disclosures
12 related to, and may promulgate rules setting standards for, the sale of individual
13 health benefit plans that an insurer is not required to renew under sub. (4).”.

14 **3.** Page 4, line 5: delete lines 5 to 11.

15 **4.** Page 4, line 12: after that line insert:

16 “632.76 **(2)** (ac) 1. Notwithstanding par. (a), no claim or loss incurred or
17 disability commencing after 12 months from the date of issue of an individual
18 disability insurance policy, as defined in s. 632.895 (1) (a), may be reduced or denied
19 on the ground that a disease or physical condition existed prior to the effective date
20 of coverage, unless the condition was excluded from coverage by name or specific
21 description by a provision effective on the date of the loss.”.

22 **5.** Page 4, line 13: delete “632.76 **(2)** (ac)” and substitute “2.”.

23 **6.** Page 4, line 13: delete “An” and substitute “Except as provided in subd. 3.,
24 an”.

1 **7.** Page 4, line 14: after “(a),” insert “other than a short-term policy subject to
2 s. 632.7495 (4) and (5).”

3 **8.** Page 4, line 15: delete the material beginning with “for which medical” and
4 ending with “from a physician” on line 16 and substitute “, whether physical or
5 mental, regardless of the cause of the condition, for which medical advice, diagnosis,
6 care, or treatment was recommended or received”.

7 **9.** Page 4, line 16: after that line insert:

8 “3. Except as the commissioner provides by rule under s. 632.7495 (5), all of the
9 following apply to an individual disability insurance policy that is a short-term
10 policy subject to s. 632.7495 (4) and (5):

11 a. The policy may not define a preexisting condition more restrictively than a
12 condition, whether physical or mental, regardless of the cause of the condition, for
13 which medical advice, diagnosis, care, or treatment was recommended or received
14 before the effective date of coverage.

15 b. The policy shall reduce the length of time during which a preexisting
16 condition exclusion may be imposed by the aggregate of the insured’s consecutive
17 periods of coverage under the insurer’s individual disability insurance policies that
18 are short-term policies subject to s. 632.7495 (4) and (5). For purposes of this subd.
19 3. b., coverage periods are consecutive if there are no more than 63 days between the
20 coverage periods.”.

21 **10.** Page 4, line 22: after “(ac)” insert “2.”.

22 **11.** Page 5, line 19: after that line insert:

23 “(1m) RENEWAL EXCEPTION FOR SHORT-TERM PLANS. The treatment of section
24 632.7495 (4) and (5) of the statutes, as created by this act, first applies to an

1 individual health benefit plan that is a short-term plan and that is issued or renewed
2 on the effective date of this subsection.”.

3 **12.** Page 5, line 20: delete “(a),”.

4 **13.** Page 5, line 21: delete “(ac),” and substitute “(ac)”.

5 **14.** Page 5, line 22: after that line insert:

6 **“SECTION 11. Effective dates.** This act takes effect on the the first day of the
7 7th month beginning after publication, except as follows:

8 (1) The creation of section 601.41 (10) of the statutes and SECTION 9 (1) of this
9 act take effect on the day after publication.”.

10 (END)