

**2009 DRAFTING REQUEST**

**Assembly Amendment (AA-AB100)**

Received: **04/14/2009**

Received By: **pkahler**

Wanted: **Today**

Identical to LRB:

For: **John Nygren (608) 266-2343**

By/Representing: **Matt**

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

Drafter: **pkahler**

May Contact:

Addl. Drafters:

Subject: **Insurance - health**

Extra Copies:

Submit via email: **YES**

Requester's email: **Rep.Nygren@legis.wisconsin.gov**

Carbon copy (CC:) to:

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**Pre Topic:**

No specific pre topic given

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**Topic:**

Renewals

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**Instructions:**

See attached

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**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>
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/1			jfrantze 04/14/2009	_____	lparisi 04/14/2009	lparisi 04/14/2009	

FE Sent For:

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FE Sent For:

<END>

**Kahler, Pam**

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**From:** Banaszynski, Matt  
**Sent:** Tuesday, April 14, 2009 10:20 AM  
**To:** Kahler, Pam  
**Subject:** Amendment

**Importance:** High

Pam,

Per our discussion, John would like to delete Section 5a which reads” Modify the benefits or deductible level, or both, under the individual health benefit plan that is being renewed.” And replace it with: “an individual major medical or comprehensive health benefit plan currently offered by the insurer with more limited benefits” or an “individual major medical or comprehensive health benefit plan currently offered by the insurer with higher deductibles”.

Thanks let me know if you have any questions.

***Matt Banaszynski***

Research Aide  
Office of State Representative John Nygren  
Eighty-Ninth Assembly District  
127 West - State Capitol  
Phone: 608-266-2343  
E-mail: Matt.Banaszynski@legis.wi.gov

## Kahler, Pam

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**From:** Banaszynski, Matt  
**Sent:** Tuesday, April 14, 2009 9:17 AM  
**To:** Kahler, Pam  
**Subject:** Amendment to AB 100

Pam,

Please draft the following two amendments to AB 100. If possible, could we get it before 10:15 so that it may be introduced in time to comply with the 24 hour rule? Please draft these as three separate amendments. Thanks for your help and assistance.

1. Section 5 of the bill, beginning on page 3, line 21, provides that an insurer shall renew individual health insurance coverage if the insured requests either (a) a modification of the benefits or deductible level, or both, under the individual plan being renewed or (b) provide coverage under a different but comparable plan offered by the insurer without subjecting any individual covered under the plan to additional underwriting.

With respect to proposed s. 632.7495 (1) (b) 2. a. — it is assumed that the creation of s. 631.36 (5) (b) 3. in Section 3 of the bill would at least allow an insurer to adjust premium to match the modified benefit and deductible levels requested by the insured under this provision.

**DRAFT AMENDMENT TO:** The provision should be modified to clarify that such request by the insured shall require the insurer to renew if the request is for “an individual major medical or comprehensive health benefit plan currently offered by the insurer with more limited benefits” or an “individual major medical or comprehensive health benefit plan currently offered by the insurer with higher deductibles”.

2. With respect to s. 632.7495 (1) (b) 2. b. — the provision requires an insurer to provide coverage under a different but comparable plan offered by the insurer, without subjecting the insured to additional underwriting. The term “comparable” is not defined and is therefore confusing and subject to different interpretation by the insurer and the insured.

**DRAFT AMENDMENT TO:** The provision should be deleted.

3. ~~**Preexisting Condition Exclusions:** Section 7 of the bill relates to preexisting condition exclusions and further restricts the length of time and the conditions under which an insurer may exclude certain coverage under an individual plan. While we do not necessarily object to this provision as it relates to a comprehensive individual plan, we recommend that it not apply to higher risk policies that are marketed for short-term coverage. The type of limitation prescribed in section 7 would have a material impact on the premium charged for short-term coverage plans and may make these plans price prohibitive and inaccessible for their intended purpose.~~

**DRAFT AMENDMENT TO:** Amend section 7 by adding an exemption for “An individual health benefit plan that is not renewable and that has a specified termination date that, including any extensions that the policyholder may elect without the insurer’s consent, is less than 12 months after the original effective date”.

*Matt Banaszynski*

Research Aide  
Office of State Representative John Nygren  
Eighty-Ninth Assembly District

## Kahler, Pam

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**From:** Banaszynski, Matt  
**Sent:** Tuesday, April 14, 2009 10:43 AM  
**To:** Kahler, Pam  
**Subject:** RE: Amendment

Yes, please. No rush. We are going to wait to introduce this amendment anyway! Thanks Pam!

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**From:** Kahler, Pam  
**Sent:** Tuesday, April 14, 2009 10:38 AM  
**To:** Banaszynski, Matt  
**Subject:** RE: Amendment

Matt:

Do you also want to delete the other provision that was mentioned (s. 631.36 (5) (b) 3., since, presumably, there would be a premium decrease as opposed to increase?

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**From:** Banaszynski, Matt  
**Sent:** Tuesday, April 14, 2009 10:20 AM  
**To:** Kahler, Pam  
**Subject:** Amendment  
**Importance:** High

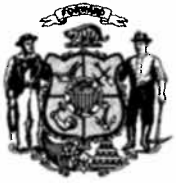
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Thanks let me know if you have any questions.

*Matt Banaszynski*

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State of Wisconsin  
2009 - 2010 LEGISLATURE

LRBa0202/1

PJK:/:....

gjs

~~PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION~~  
ASSEMBLY AMENDMENT,  
TO 2009 ASSEMBLY BILL 100

*[Handwritten signature]*  
bill 100  
SOON  
(= 4-14)

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

2 1. Page 3, line 24: delete lines 24 and 25 and substitute:

3 "a. Provide coverage to the insured individual under an individual major  
4 medical or comprehensive health benefit plan offered by the insurer that has more  
5 limited benefits or higher deductibles."

6 (END)

④ #. Page 3, line 6: deletes lines 6 to 13.