

**2009 DRAFTING REQUEST**

**Assembly Amendment (AA-AB108)**

Received: 04/13/2009

Received By: **pkahler**

Wanted: **As time permits**

Identical to LRB:

For: **Leah Vukmir (608) 266-9180**

By/Representing: **Dean Cady**

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.Vukmir@legis.wisconsin.gov**

Carbon copy (CC:) to:

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**Pre Topic:**

No specific pre topic given

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**Topic:**

External review and exclude short term plans

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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			mduchek 04/13/2009	_____	cduerst 04/13/2009	cduerst 04/13/2009	

FE Sent For:

<END>

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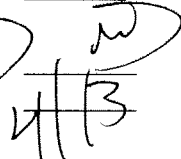
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(e) The commissioner shall publish a notice in the Wisconsin Administrative Register stating the effective date of the rules promulgated under paras. (a) (b) and (c). Insurers who choose to accept the uniform application shall notify the commissioner in writing. The commissioner also shall develop rules to allow electronic use of the uniform application. The effective date for electronic use of the application will be no sooner than one-year following the effective date of the uniform application.

(f) For purposes of this subsection, an individual major medical health insurance policy includes health coverage provided on an individual basis. An individual major medical health insurance policy shall not include short-term limited duration health policy or certificate, limited health policy or certificate marketed on a basis other than major or comprehensive medical, an individually underwritten medical plan marketed or sold only to students, accident-only coverage, hospital or sickness fixed indemnity plans, specified disease or critical illness plans, individually underwritten medical plans not marketed as major medical coverage, credit health insurance, dental coverage or disability income insurance.

**AB 108 / amendment 1**

**INDEPENDENT REVIEW OF COVERAGE DENIAL DETERMINATIONS AND RESCISSIONS**

We do have some concerns on expanding IER in a few areas. The first is that the provision should not apply to short term major-medical plans. The second area of concern is allowing IER on pre-existing condition denials for each claim, rather than for an episode of care or for a diagnosis.

**Suggested Changes:**

**To address the concern of short term major medical policies, we would like to offer the following definition used in Connecticut:**

*This provision does not apply to short term major medical plans, defined as short-term health insurance issued on a nonrenewable basis with a duration of twelve months or less.*

**To address the concern of pre-existing condition denials, we would like to suggest that you include the following additional language:**

*An Independent External Review of a pre-existing condition denial determination shall include a review of the actual diagnosis and whether or not the condition manifested itself prior to the effective date of the policy. It shall **not** review the underlying claims submitted for that diagnosis.*

Pamela, again, thank you so much, I know how busy you guys are right now. :)  
deano



~~PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION~~  
ASSEMBLY AMENDMENT,  
TO 2009 ASSEMBLY BILL 108

This am  
by 9:00

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

2 <sup>√</sup> 1. Page 7, line 11: after that line insert:

3 "SECTION 16m. 632.835 (3m) (c) <sup>√</sup> of the statutes is created to read:

4 632.835 (3m) (c) A decision of an independent review organization regarding  
5 a preexisting condition exclusion denial determination shall include a review of the  
6 actual diagnosis and whether the condition manifested itself before the effective date  
7 of the health benefit plan. In making the decision, the independent review  
8 organization shall not review the underlying claims submitted for that diagnosis."

9 <sup>√</sup> 2. Page 9, line 12: after that line insert:

10 "SECTION ~~24~~ <sup>22m</sup> 632.835 (9) (c) <sup>√</sup> of the statutes is created to read:

11 632.835 (9) (c) *Short-term policies*. This section does not apply to individual  
12 major medical health insurance policies that are not renewable and that have a

1 specified termination date that is less than 12 months after the original effective  
2 date.”.

3 (END)