

State of Wisconsin



1995 Senate Bill 471

Date of enactment: **June 6, 1996**
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1995 WISCONSIN ACT 412

AN ACT to amend 632.87 (1) and 635.17 (1) (b) 1. and 2. of the statutes; relating to: restrictions on health care services under insurance plans and preexisting condition exclusions or limitations for small insurer health insurance plans (suggested as remedial legislation by the office of the commissioner of insurance).

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

LAW REVISION COMMITTEE PREFATORY NOTE: This bill is a remedial legislation proposal, requested by the office of the commissioner of insurance and introduced by the law revision committee under s. 13.83 (1) (c) 4., stats. After careful consideration of the various provisions of the bill, the law revision committee has determined that this bill makes minor substantive changes in the statutes, and that these changes are desirable as a matter of public policy.

SECTION 1. 632.87 (1) of the statutes is amended to read:

632.87 (1) No insurer may refuse to provide or pay for benefits for health care services provided by a licensed health care professional on the ground that the services were not rendered by a physician as defined in s. 990.01 (28), unless the contract clearly excludes services by such practitioners, but no contract or plan may exclude services in violation of sub. (2), (2m), (3), (4) or (5).

NOTE: Currently, health insurers are prohibited by s. 632.87 (1) from refusing to provide coverage for services on the grounds that the services were not provided by a physician unless the insurance contract clearly excludes services of those practitioners. However, the contract or plan may not exclude services in violation of the coverage requirements of s. 632.87 (2m) (health maintenance organization and preferred provider plan coverage of optometrists' services), 632.87 (3) (chiropractors' services), 632.87 (4) (dentists' services) and 632.87 (5) (certain services provided by nurse practitioners).

A reference to s. 632.87 (2) is omitted from s. 632.87 (1). That provision covers vision care services and procedures performed by optometrists under any plan that covers these services when provided by other providers. This SECTION corrects the omission.

SECTION 2. 635.17 (1) (b) 1. and 2. of the statutes are amended to read:

635.17 (1) (b) 1. A health benefit plan subject to this subchapter shall waive any period applicable to a preexisting condition exclusion or limitation period with respect to particular services for the period that an individual was previously covered by qualifying coverage that provided benefits with respect to such services, if the qualifying coverage was continuous to a date not less more than 30 days before the effective date of the new coverage.

2. Subdivision 1. does not prohibit the application of a waiting period to all new enrollees under the health benefit plan; however, a waiting period may not be counted when determining whether the qualifying coverage was continuous to a date not less more than 30 days before the effective date of the new coverage. For the purpose of subd. 1., the new coverage shall be considered effective as of the date that it would be effective but for the waiting period.

NOTE: This SECTION corrects a provision enacted by 1991 Wisconsin Act 250. Under the provision, small employer health insurance plans must waive any waiting period for cov-

* Section 991.11, WISCONSIN STATUTES 1993-94: Effective date of acts. "Every act and every portion of an act enacted by the legislature over the governor's partial veto which does not expressly prescribe the time when it takes effect shall take effect on the day after its date of publication as designated" by the secretary of state [the date of publication may not be more than 10 working days after the date of enactment].

erage of a preexisting condition if an individual was previously covered by coverage that provided benefits for that condition if that prior coverage was continuous to a date *not less* than 30 days before the effective date of the new coverage. Also, any waiting period for all new enrollees under that plan may not be counted in determining whether the coverage was continuous to a date not less than 30 days before the effective date of the new coverage.

The current law thus states that if coverage under a previous policy ended at least 30 days before the effective date

of the new policy, the preexisting condition waiting period will be waived. Conversely, if the person has been covered by another policy for a condition during the 30 days prior to the effective date of the new policy, the preexisting condition coverage under the new policy will apply. This will result in no coverage under the new policy until the waiting period has expired. This is the exact opposite of the intent of the provisions: that where coverage under a previous policy has been in effect within 30 days prior to the effective date of the new coverage, the preexisting condition waiting period will be waived.
