



2013 SENATE BILL 386

November 4, 2013 – Introduced by Senators LASSA, CARPENTER, L. TAYLOR, LEHMAN and HARRIS, cosponsored by Representatives VRUWINK, BERCEAU, HEBL, BEWLEY, YOUNG, RINGHAND, OHNSTAD and JORGENSEN. Referred to Committee on Health and Human Services.

- 1 **AN ACT to create** 632.843 of the statutes; **relating to:** special enrollment periods
2 for Medicare supplement policies.

Analysis by the Legislative Reference Bureau

Generally, Medicare Part A provides coverage for inpatient care and Medicare Part B provides coverage for outpatient care. Generally, a person is eligible for Medicare when he or she reaches age 65 or if he or she is under age 65 and disabled. Medicare supplement policies are private insurance policies that may be purchased by persons who are enrolled in Medicare and that provide supplemental coverage to that provided under Medicare, such as coverage for additional services, for the portion of the cost of services not paid by Medicare, or for deductibles required under Medicare.

This bill creates two special enrollment periods under Medicare supplement policies. Under the bill, an insurer offering a Medicare supplement policy may not deny coverage under the policy on the basis of health status, claims experience, receipt of health care, medical condition, disability, or age to a person under age 65 who is eligible for Medicare Part B during the six-month period beginning on the first day of the month in which the person first enrolls in Medicare Part B. The bill also requires every insurer offering a Medicare supplement policy to provide an annual open enrollment period during which no person who is covered under another Medicare supplement policy and no person who is under age 65 and enrolled in Medicare Part B may be denied coverage under the insurer's Medicare supplement policy on the basis of a preexisting condition. In addition, the insurer may not impose on any person who obtains coverage during the annual open enrollment period any

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preexisting condition exclusion. The annual open enrollment period must begin and end on the same dates as the federal Medicare annual open enrollment period, also known as the annual election period.

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

1 **SECTION 1.** 632.843 of the statutes is created to read:

2 **632.843 Special enrollment periods for Medicare supplement policies.**

3 **(1) DEFINITION.** In this section, “Medicare Part B” means Part B of Medicare under
4 42 USC 1395j to 1395L.

5 **(2) INITIAL 6-MONTH ENROLLMENT PERIOD.** (a) During the initial enrollment
6 period specified in par. (b), an insurer offering a Medicare supplement policy may not
7 deny coverage under the policy on the basis of any of the following to an individual
8 under the age of 65 who is eligible for Medicare Part B:

9 1. Health status.

10 2. Claims experience.

11 3. Receipt of health care.

12 4. Medical condition.

13 5. Disability.

14 6. Age.

15 (b) The initial enrollment period referred to in par. (a) for an individual
16 described in par. (a) shall begin on the first day of the month in which the individual
17 first enrolls in Medicare Part B and shall last for 6 months.

18 **(3) ANNUAL OPEN ENROLLMENT PERIOD.** (a) In this subsection, “preexisting
19 condition” includes a preexisting disability.

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1 (b) Beginning in 2014, every insurer offering a Medicare supplement policy
2 shall provide an annual open enrollment period during which any individual who has
3 coverage under another Medicare supplement policy or who is under age 65 and
4 enrolled in Medicare Part B may obtain coverage under the insurer's Medicare
5 supplement policy without regard to any preexisting condition. Notwithstanding s.
6 632.76 (2), an insurer may not impose any preexisting condition exclusion on an
7 individual who obtains coverage under the insurer's Medicare supplement policy
8 during the open enrollment period under this subsection. The beginning and ending
9 dates for the annual open enrollment period under this subsection in any year shall
10 be the same as the beginning and ending dates in that year of the Medicare annual,
11 coordinated election period, as defined in 42 USC 1395w-21 (e) (3) (B). Each insurer
12 offering a Medicare supplement policy shall post on its Internet site the beginning
13 and ending dates for the annual open enrollment period under this subsection.

SECTION 2. Initial applicability.

14 (1) The treatment of section 632.843 (2) of the statutes first applies to
15 individuals who enroll in Medicare Part B on the effective date of this subsection.
16

17 **(END)**