



2009 SENATE BILL 483

January 25, 2010 - Introduced by Senators JAUCH, SULLIVAN, CARPENTER, ERPENBACH, TAYLOR and SCHULTZ, cosponsored by Representatives PASCH, GRIGSBY, ROYS, ZEPNICK, BERCEAU, DEXTER, YOUNG and HUBLER. Referred to Committee on Health, Health Insurance, Privacy, Property Tax Relief, and Revenue.

1 **AN ACT** *to amend* 40.51 (8), 40.51 (8m), 66.0137 (4), 120.13 (2) (g), 185.981 (4t)
2 and 185.983 (1) (intro.); and *to create* 609.72 and 632.865 of the statutes;
3 **relating to:** prohibiting health insurance policies and self-insured health
4 plans from excluding coverage for injuries based on the use of alcohol or
5 controlled substances.

Analysis by the Legislative Reference Bureau

This bill prohibits health insurance policies and governmental self-insured health plans that cover medical expenses incurred as a result of an injury from using an insured's alcohol consumption or use of a controlled substance as a basis to deny or exclude coverage. The health insurance policy or governmental self-insured health plan may subject the coverage of these injuries to any cost-sharing provisions, limitations, or other exclusions that apply generally under the policy or plan.

The prohibition against denying coverage applies to individual and group health insurance policies, including limited service health organizations, preferred provider plans, defined network plans, and cooperative sickness care associations; to health care plans, including a self-insured plan, offered by the state to its employees; and to self-insured health plans of a city, town, village, county, or school district.

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For further information see the *state and local* fiscal estimate, which will be printed as an appendix to this bill.

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

1 **SECTION 1.** 40.51 (8) of the statutes, as affected by 2009 Wisconsin Act 28, is
2 amended to read:

3 40.51 (8) Every health care coverage plan offered by the state under sub. (6)
4 shall comply with ss. 631.89, 631.90, 631.93 (2), 631.95, 632.72 (2), 632.746 (1) to (8)
5 and (10), 632.747, 632.748, 632.83, 632.835, 632.85, 632.853, 632.855, 632.865,
6 632.87 (3) to (6), 632.885, 632.895 (5m) and (8) to (17), and 632.896.

7 **SECTION 2.** 40.51 (8m) of the statutes, as affected by 2009 Wisconsin Act 28, is
8 amended to read:

9 40.51 (8m) Every health care coverage plan offered by the group insurance
10 board under sub. (7) shall comply with ss. 631.95, 632.746 (1) to (8) and (10), 632.747,
11 632.748, 632.83, 632.835, 632.85, 632.853, 632.855, 632.865, 632.885, and 632.895
12 (11) to (17).

13 **SECTION 3.** 66.0137 (4) of the statutes, as affected by 2009 Wisconsin Act 28,
14 is amended to read:

15 66.0137 (4) SELF-INSURED HEALTH PLANS. If a city, including a 1st class city, or
16 a village provides health care benefits under its home rule power, or if a town
17 provides health care benefits, to its officers and employees on a self-insured basis,
18 the self-insured plan shall comply with ss. 49.493 (3) (d), 631.89, 631.90, 631.93 (2),
19 632.746 (10) (a) 2. and (b) 2., 632.747 (3), 632.85, 632.853, 632.855, 632.865, 632.87
20 (4), (5), and (6), 632.885, 632.895 (9) to (17), 632.896, and 767.513 (4).

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1 **SECTION 4.** 120.13 (2) (g) of the statutes, as affected by 2009 Wisconsin Act 28,
2 is amended to read:

3 120.13 **(2)** (g) Every self-insured plan under par. (b) shall comply with ss.
4 49.493 (3) (d), 631.89, 631.90, 631.93 (2), 632.746 (10) (a) 2. and (b) 2., 632.747 (3),
5 632.85, 632.853, 632.855, 632.865, 632.87 (4), (5), and (6), 632.885, 632.895 (9) to
6 (17), 632.896, and 767.513 (4).

7 **SECTION 5.** 185.981 (4t) of the statutes, as affected by 2009 Wisconsin Act 28,
8 is amended to read:

9 185.981 **(4t)** A sickness care plan operated by a cooperative association is
10 subject to ss. 252.14, 631.17, 631.89, 631.95, 632.72 (2), 632.745 to 632.749, 632.85,
11 632.853, 632.855, 632.865, 632.87 (2m), (3), (4), (5), and (6), 632.885, 632.895 (10) to
12 (17), and 632.897 (10) and chs. 149 and 155.

13 **SECTION 6.** 185.983 (1) (intro.) of the statutes, as affected by 2009 Wisconsin
14 Act 28, is amended to read:

15 185.983 **(1)** (intro.) Every such voluntary nonprofit sickness care plan shall be
16 exempt from chs. 600 to 646, with the exception of ss. 601.04, 601.13, 601.31, 601.41,
17 601.42, 601.43, 601.44, 601.45, 611.67, 619.04, 628.34 (10), 631.17, 631.89, 631.93,
18 631.95, 632.72 (2), 632.745 to 632.749, 632.775, 632.79, 632.795, 632.85, 632.853,
19 632.855, 632.865, 632.87 (2m), (3), (4), (5), and (6), 632.885, 632.895 (5) and (9) to (17),
20 632.896, and 632.897 (10) and chs. 609, 630, 635, 645, and 646, but the sponsoring
21 association shall:

22 **SECTION 7.** 609.72 of the statutes is created to read:

23 **609.72 Exclusion for injuries based on alcohol or controlled substance**
24 **use prohibited.** Limited service health organizations, preferred provider plans,
25 and defined network plans are subject to s. 632.865.

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1 **SECTION 8.** 632.865 of the statutes is created to read:

2 **632.865 Exclusion for injuries based on alcohol or controlled**
3 **substance use prohibited. (1)** In this section:

4 (a) “Controlled substance” has the meaning given in s. 961.01 (4).

5 (b) “Disability insurance policy” has the meaning given in s. 632.895 (1) (a).

6 (c) “Self-insured health plan” has the meaning given in s. 632.85 (1) (c).

7 **(2)** No disability insurance policy or self-insured health plan that provides
8 coverage for emergency or nonemergency medical, hospital, or surgical expenses
9 incurred as a result of an injury may use as a basis for denying or excluding coverage
10 for those expenses any alcohol consumption by the insured or use of a controlled
11 substance by the insured.

12 **(3)** The coverage that may not be denied or excluded under sub. (2) may be
13 subject to any cost-sharing provisions, limitations, or other exclusions that apply
14 generally under the disability insurance policy or self-insured health plan.

15 **SECTION 9. Initial applicability.**

16 (1) This act first applies to all of the following:

17 (a) Except as provided in paragraphs (b) and (c), disability insurance policies
18 that are issued or renewed, and governmental self-insured health plans that are
19 established, extended, modified, or renewed, on the effective date of this paragraph.

20 (b) Disability insurance policies covering employees who are affected by a
21 collective bargaining agreement containing provisions inconsistent with this act
22 that are issued or renewed on the earlier of the following:

23 1. The day on which the collective bargaining agreement expires.

24 2. The day on which the collective bargaining agreement is extended, modified,
25 or renewed.

