



State of Wisconsin
2017 - 2018 LEGISLATURE

LRB-1882/1
TJD:ahe

2017 SENATE BILL 266

May 25, 2017 - Introduced by Senators ERPENBACH, JOHNSON, SHILLING, L. TAYLOR, CARPENTER, RINGHAND, LARSON, RISSER, HANSEN, WIRCH, MILLER, BEWLEY and VINEHOUT, cosponsored by Representatives RIEMER, KOLSTE, C. TAYLOR, ANDERSON, BARCA, BERCEAU, BILLINGS, BOWEN, BROSTOFF, CONSIDINE, CROWLEY, DOYLE, FIELDS, GENRICH, GOYKE, HEBL, HESSELBEIN, HINTZ, MASON, MEYERS, MILROY, OHNSTAD, POPE, SARGENT, SHANKLAND, SINICKI, SPREITZER, STUCK, SUBECK, VRUWINK, WACHS, YOUNG, ZAMARRIPA, ZEPNICK and KESSLER. Referred to Committee on Insurance, Housing and Trade.

1 **AN ACT to amend** 40.51 (8), 40.51 (8m), 66.0137 (4), 120.13 (2) (g) and 185.983
2 (1) (intro.); and **to create** 609.845 and 632.883 of the statutes; **relating to:**
3 prohibiting lifetime and annual limits under health insurance policies and
4 plans.

Analysis by the Legislative Reference Bureau

This bill prohibits health insurance policies and plans, known in the bill as disability insurance policies, and self-insured governmental health plans from imposing a lifetime limit or an annual limit on the dollar value of benefits.

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:

5 **SECTION 1.** 40.51 (8) of the statutes is amended to read:
6 40.51 (8) Every health care coverage plan offered by the state under sub. (6)
7 shall comply with ss. 631.89, 631.90, 631.93 (2), 631.95, 632.72 (2), 632.746 (1) to (8)
8 and (10), 632.747, 632.748, 632.798, 632.83, 632.835, 632.85, 632.853, 632.855,

SENATE BILL 266**SECTION 1**

1 632.867, 632.87 (3) to (6), 632.883, 632.885, 632.89, 632.895 (5m) and (8) to (17), and
2 632.896.

3 **SECTION 2.** 40.51 (8m) of the statutes is amended to read:

4 40.51 **(8m)** Every health care coverage plan offered by the group insurance
5 board under sub. (7) shall comply with ss. 631.95, 632.746 (1) to (8) and (10), 632.747,
6 632.748, 632.798, 632.83, 632.835, 632.85, 632.853, 632.855, 632.867, 632.883,
7 632.885, 632.89, and 632.895 (11) to (17).

8 **SECTION 3.** 66.0137 (4) of the statutes is amended to read:

9 **66.0137 (4)** SELF-INSURED HEALTH PLANS. If a city, including a 1st class city, or
10 a village provides health care benefits under its home rule power, or if a town
11 provides health care benefits, to its officers and employees on a self-insured basis,
12 the self-insured plan shall comply with ss. 49.493 (3) (d), 631.89, 631.90, 631.93 (2),
13 632.746 (10) (a) 2. and (b) 2., 632.747 (3), 632.798, 632.85, 632.853, 632.855, 632.867,
14 632.87 (4), (5), and (6), 632.883, 632.885, 632.89, 632.895 (9) to (17), 632.896, and
15 767.513 (4).

16 **SECTION 4.** 120.13 (2) (g) of the statutes is amended to read:

17 120.13 **(2)** (g) Every self-insured plan under par. (b) shall comply with ss.
18 49.493 (3) (d), 631.89, 631.90, 631.93 (2), 632.746 (10) (a) 2. and (b) 2., 632.747 (3),
19 632.798, 632.85, 632.853, 632.855, 632.867, 632.87 (4), (5), and (6), 632.883, 632.885,
20 632.89, 632.895 (9) to (17), 632.896, and 767.513 (4).

21 **SECTION 5.** 185.983 (1) (intro.) of the statutes is amended to read:

22 185.983 **(1)** (intro.) Every voluntary nonprofit health care plan operated by a
23 cooperative association organized under s. 185.981 shall be exempt from chs. 600 to
24 646, with the exception of ss. 601.04, 601.13, 601.31, 601.41, 601.42, 601.43, 601.44,
25 601.45, 611.26, 611.67, 619.04, 623.11, 623.12, 628.34 (10), 631.17, 631.89, 631.93,

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1 631.95, 632.72 (2), 632.745 to 632.749, 632.775, 632.79, 632.795, 632.798, 632.85,
2 632.853, 632.855, 632.867, 632.87 (2), (2m), (3), (4), (5), and (6), 632.883, 632.885,
3 632.89, 632.895 (5) and (8) to (17), 632.896, and 632.897 (10) and chs. 609, 620, 630,
4 635, 645, and 646, but the sponsoring association shall:

5 **SECTION 6.** 609.845 of the statutes is created to read:

6 **609.845 Lifetime and annual limits.** Limited service health organizations,
7 preferred provider plans, and defined network plans are subject to s. 632.883.

8 **SECTION 7.** 632.883 of the statutes is created to read:

9 **632.883 Lifetime and annual limits. (1)** No group or individual disability
10 insurance policy, as defined in s. 632.895 (1) (a), and no self-insured health plan, as
11 defined in s. 632.745 (24), may impose a lifetime limit on the dollar value of benefits
12 provided under the policy or plan.

13 **(2)** No group or individual disability insurance policy, as defined in s. 632.895
14 (1) (a), and no self-insured health plan, as defined in s. 632.745 (24), may impose an
15 annual limit on the dollar value of benefits under the policy or plan.

16 **SECTION 8. Initial applicability.**

17 **(1) LIFETIME AND ANNUAL LIMITS.**

18 **(a)** For policies and plans containing provisions inconsistent with this act, the
19 act first applies to policy or plan years beginning on January 1 of the year following
20 the year in which this paragraph takes effect, except as provided in paragraph (b).

21 **(b)** For policies or plans that are affected by a collective bargaining agreement
22 containing provisions inconsistent with this act, this act first applies to policy or plan
23 years beginning on the effective date of this paragraph or on the day on which the
24 collective bargaining agreement is newly established, extended, modified, or
25 renewed, whichever is later.

