



State of Wisconsin
2019 - 2020 LEGISLATURE

LRB-5405/1
TJD:klm

2019 BILL

1 **AN ACT to amend** 632.7495 (4) (intro.) and 632.7495 (5) of the statutes; **relating**
2 **to:** short-term health coverage.

Analysis by the Legislative Reference Bureau

This bill defines short-term, limited-duration insurance using the federal government's definition. Under the bill, if the federal government defines short-term, limited-duration insurance to have shorter initial and aggregate durations than current law and if the federal law no longer preempts the state law, the commissioner shall define short-term, limited-duration insurance as insurance that complies with current state law. Under current state law, an insurer is not required to renew short-term coverage, which is coverage that is marketed and designed to provide short-term coverage as a bridge between health coverage with an initial term of not more than 12 months and an aggregate term of all consecutive periods of coverage that does not exceed 18 months. The current federal regulation defines short-term, limited-duration to have an initial expiration date that is less than 12 months after the effective date and an aggregate duration, including renewals or extensions, of no longer than 36 months.

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

3 **SECTION 1.** 632.7495 (4) (intro.) of the statutes is amended to read:

BILL**SECTION 1**

1 632.7495 (4) (intro.) Except as the commissioner may provide by rule under
2 sub. (5) and notwithstanding subs. (1) and (2) and s. 631.36 (4), an insurer is not
3 required to renew individual health benefit plan coverage that is short-term,
4 limited-duration insurance, as defined in 45 CFR 144.103. If the federal
5 government defines short-term, limited-duration insurance to have a shorter initial
6 term than 12 months and aggregate duration of less than 18 months and if the
7 federal law no longer preempts state law, the commissioner shall define short-term,
8 limited-duration insurance to be insurance that complies with all of the following:

9 **SECTION 2.** 632.7495 (5) of the statutes is amended to read:

10 632.7495 (5) The commissioner shall promulgate rules governing disclosures
11 related to, and may promulgate rules setting standards for, the sale of individual
12 health benefit plans that an insurer is not required to renew under sub. (4), except
13 that the commissioner may not set a different initial or aggregate duration for
14 short-term, limited-duration insurance than is specified in sub. (4).

15 (END)