

CO-SPONSORSHIP MEMORANDUM

Date: January 2, 2019

To: All Legislators

From: Sen.-elect André Jacque
Rep. Kevin Petersen

Re: Co-sponsorship of LRB 1110/1, The Pre-Existing Condition Guaranteed Coverage Act

DEADLINE: Monday, January 14, 2019 at 5 p.m.

We will be introducing the Pre-Existing Condition Guaranteed Coverage Act to ensure that no matter what happens at the national level, here in Wisconsin our residents won't be denied access to life-saving treatment or necessary healthcare just because of challenges they've already faced or continue to deal with in their health history.

Under current federal law, health insurance companies can't refuse coverage or charge more just because a person has a health problem (a "pre-existing condition") that they had before the date that new health coverage starts. LRB 1110/1 will enshrine pre-existing condition protections into Wisconsin law in a way that would make our state one of only five in the country (according to the non-profit Commonwealth Fund), and the only one in the Midwest, to ensure that all three elements of pre-existing condition protections would remain in place for state residents regardless of changes at the national level. Specifically, the Pre-Existing Condition Guaranteed Coverage Act provisions will prevent insurance companies from denying someone a policy because they have a pre-existing condition (the "guaranteed issue" requirement), refusing to cover services that people need to treat a pre-existing condition ("pre-existing condition exclusions"), or charging a higher premium based on a person's health status (the "community rating" provision)." See: <https://www.commonwealthfund.org/blog/2018/lawsuit-ACA-preexisting-condition-protections-where-you-live>

If you would like to co-sponsor LRB-1110/1 and its Assembly companion LRB 1169/1, please reply to this email or contact Nik Rettinger in Sen. Jacque's office, or Jim Bowers in Rep. Petersen's office.

The deadline to co-sponsor this bill is Monday, January 14, 2019 at 5 p.m.

Analysis by the Legislative Reference Bureau

Currently, the federal Patient Protection and Affordable Care Act generally allows premium rates to be based only on individual or family coverage, rating area, age, and tobacco use; requires group and individual health insurance policies to accept every employer and individual that applies for coverage, known as guaranteed issue, and renew health insurance coverage at the option of the sponsor or individual; and prohibits health insurance policies from imposing preexisting condition exclusions. If

those requirements and prohibitions of the Affordable Care Act are no longer enforceable or no longer preempt state law, all of the following apply under this bill: every individual health benefit plan must accept every individual in this state who applies for coverage and every group health benefit plan must accept every employer in this state that applies for coverage, regardless of whether any individual or employee has a preexisting condition; a health benefit plan may restrict enrollment in coverage to open or special enrollment periods; the commissioner of insurance must ensure a statewide open enrollment period allowing individuals, including individuals who do not have coverage, to enroll in coverage; health benefit plans must provide special enrollment periods for certain qualifying events described in federal law; a health benefit plan offered on the individual or small employer market or a self-insured health plan may not vary premium rates for a specific policy or plan except on the basis of whether the policy or plan covers an individual or a family, area in the state, age, and tobacco use; a group health benefit plan, including a self-insured governmental health plan, may not impose a preexisting condition exclusion; and an individual health benefit plan may not reduce or deny a claim or loss incurred or disability commencing under the policy on the ground that a disease or physical condition existed prior to the effective date of coverage. Certain grandfathered and transitional health insurance policies that are exempt from some requirements of the Affordable Care Act, including the premium rate requirements, are exempt from the premium rate requirements under the bill.

This proposal may contain a health insurance mandate requiring a social and financial impact report under s. 601.423, stats.