# Addendum: for use with Wisconsin Life and Health ExamFX online courses and study guide version 25039en/25040en, per exam outline update effective 7/1/21.

*The following are **content additions** to supplement your existing text unless otherwise indicated:*

## ALL LINES

## General Wisconsin Insurance Law

### A. Licensing

### 6. Disciplinary Actions

### Money Forfeiture

### Criminal Penalties – *change to regulation*

Any person who violates an insurance statute or rule of Wisconsin is guilty of a **Class I felony**. In Wisconsin, Class I felonies are punishable **by fines of up to $10,000, prison terms of up to 3 years and 6 months**, or both. These penalties apply unless a specific penalty is provided elsewhere in state laws.

## HEALTH

## Medicare and Long-Term Care Insurance

### B. Medicare Supplements

### 4. Regulations and Required Provisions

### New Plans Effective January 1, 2020

Disability policies issued in Wisconsin cannot relate their coverage to Medicare or be structured, advertised, marketed or issued to individuals newly eligible for Medicare on or after January 1, 2020, as a Medicare supplement policy, Medicare SELECT policy, or Medicare cost policy unless they comply with the following:

- Comply with coverage requirements for Medicare policies issued in Wisconsin;
- Disclose on the first page any applicable pre-existing conditions limitation, contains no pre-existing condition waiting period longer than 6 months, and do not define a pre-existing condition more restrictively than a condition for which medical advice was given or treatment was recommended by or received from a physician within 6 months before the effective date of coverage;
- Do not define the following terms less favorably to the insured than the corresponding Medicare definition:
    - Medicare eligible expenses;
    - Accident;
    - Sickness;
    - Mental or nervous disorders;

    - Skilled nursing facility;
    - Hospital;
    - Nurse;
    - Physician;
    - Benefit period;
    - Convalescent nursing home; or
    - Outpatient prescription drugs;
- Do not indemnify against losses resulting from sickness on a different basis from losses resulting from accident;
- Are guaranteed renewable and do not provide for termination of coverage of a spouse solely because of an event specified for termination of coverage of the insured, other than the nonpayment of premium; the policy may not be cancelled or nonrenewed by the issuer on the grounds of deterioration of health;
- Provide that termination of a policy is not due to a continuous loss that commenced while the policy or certificate was in force;
- Clearly state on the first page or schedule page the duration of the term of coverage for which the policy or certificate is issued and for which it may be renewed. The renewal period cannot be less than the greatest of
    - 3 months;
    - The period the insured has paid the premium; or
    - The period specified in the policy or certificate;
- Change benefits automatically to coincide with any changes in the applicable Medicare deductible amount, coinsurance, and copayment percentage factors;
- Prominently disclose any limitations on the choice of providers or geographical area of service;
- Contain on the first page the designation, such as "DISABILITY INSURANCE,""MEDICARE SUPPLEMENT POLICY," or "MEDICARE SELECT POLICY."
- Contain text that is plainly printed in black or blue ink and has a font size that is uniform and not less than 10-point type with a lower-case unspaced alphabet length not less than 120-point type;
- Contain a provision describing any grievance rights;
- Contain no exclusion, limitation, or reduction of coverage for a specifically named or described condition after the policy or certificate effective date;
- Provide for midterm cancellation at the request of the insured and provide that, if an insured cancels a policy or certificate midterm or the policy or certificate terminates midterm because of the insured's death, the issuer will issue a pro rata refund to the insured or the insured's estate.
- Are not advertised, solicited or issued for delivery in this state as Medicare supplement policies if they policies contain limitations or exclusions on coverage that are more restrictive than those of Medicare;
- If a Medicare supplement policy, Medicare SELECT policy, or Medicare cost policy, do not contain benefits that duplicate benefits provided by Medicare;
- Policyholders are allowed to request the suspension of benefits and premiums under the policy for up to 24 months if the policyholder has applied for and is determined to be entitled to medical assistance under Title XIX of the Social Security Act;

- If the suspension occurs and the policyholder loses entitlement to medical assistance, the policy will be automatically reinstituted, effective as of the date of termination, if the policyholder provides notice of loss of the entitlement within 90 days after the date of the loss and pays the premium attributable to the period; and
- May not use an underwriting standard during open enrollment for persons who are under age 65 that is more restrictive than the underwriting standards that are used for persons age 65 and older.

## D. Medicare Access and CHIP Reauthorization Act of 2015 (MACRA)

## Newly Eligible Individuals

Persons first eligible for Medicare Part A and B on or after January 1, 2020, are designated as "newly eligible" to distinguish them from persons eligible prior to January 1, 2020. Because Medicare supplement policies and certificates and Medicare SELECT policies are guaranteed renewable for life, a Medicare eligible persons can, at their choice, elect to receive benefits and coverage under a policy that may have fewer riders available. An insurer may not require the Medicare eligible person to replace existing coverage with coverage reflecting recent changes, including changes due to MACRA. This means insurers may no longer actively market the Medicare Part B medical deductible rider to persons who are newly eligible for Medicare.

# Wisconsin Health Insurance Law

## B. Coverages

## 8. Skilled Nursing Facility – *addition to the existing text*

Under Medicare supplement policies, coverage for skilled nursing care is provided in addition to the required coverages. Payment of coinsurance or copayment for Medicare Part A eligible skilled nursing care may not count as satisfying the coverage requirement of at least 30 days of non-Medicare eligible skilled nursing care.

## 11. Mammograms – *change to regulation*

Except for specified disease, Medicare supplement, Medicare replacement, or long-term care policies, every disability policy that provides coverage for a woman age **45 to 49** must provide coverage for **two low-dose mammograms** when the woman is between the ages of 45 and 49, as long as

- The examinations are performed at the direction of a licensed physician or a nurse practitioner; and
- The woman has not had an examination by low-dose mammography within 2 years before each exam is performed.

Every disability insurance policy that provides coverage for a woman **age 50 or older** must provide coverage for **annual examinations** by low-dose mammography if the examination is performed at the direction of a licensed physician or a nurse practitioner.