

To: All Insurers Authorized to Write Health Insurance in Wisconsin
From: Theodore K. Nickel, Commissioner of Insurance
Subject: Proposed Updated Guidance Regarding Coverage of Equipment and Supplies for Treatment of Diabetes

The Office of the Commissioner of Insurance (OCI) is issuing this bulletin to ensure all insurers continue to comply with Wis. Stat. § 632.895 (6) regarding the coverage of equipment and supplies for the treatment of diabetes. The Wisconsin insulin infusion pump coverage requirement is stated as follows:

Every disability insurance policy which provides coverage of expenses incurred for treatment of diabetes shall provide coverage for expenses incurred by the installation and use of an insulin infusion pump.... Coverage required under this subsection shall be subject to the same exclusions, limitations, deductibles, and coinsurance provisions of the policy as other covered expenses, **except** that insulin infusion pump coverage may be limited to the purchase of one pump per year and the insurer may require the insured to use a pump for 30 days before purchase. (Emphasis added.)

While insurers may apply general exclusions, limitations, deductibles and coinsurance provisions to the mandate, this is limited by the phrase “except that insulin infusion pump coverage may be limited to the purchase of one pump per year and the insurer may require the insured to use a pump for 30 days before purchase.” OCI is aware that insurers have general limitations for medical equipment that exclude coverage for the replacement of medical equipment under warranty and require multi-year warranties to expire prior to the insured being eligible for new medical equipment regardless of medical necessity. However, limiting an insured’s eligibility for a new insulin pump to the expiration of a multi-year warranty is contrary to the clear language of the statute which only allows for a limitation of one pump per year.

Insurers may encourage insureds to use warranty coverage for the replacement of equipment or utilize warranties to mitigate expenses after a replacement pump is provided. However, insurers may not exclude coverage for the replacement of insulin infusion pumps determined to be medically necessary except to one pump per year.

Any questions concerning this bulletin should be directed to Rebecca L. Rebholz, Director Bureau of Market Regulation at (608) 264-8111 or by email at Rebecca.Rebholz@wisconsin.gov.