

MINUTES

MONTANA SENATE  
54th LEGISLATURE - REGULAR SESSION

FREE CONFERENCE COMMITTEE ON HOUSE BILL 446

Call to Order: By CHAIRMAN MIKE FOSTER, on April 6, 1995, at  
7:35 a.m.

ROLL CALL

**Members Present:**

Sen. Mike Foster (R)  
Sen. Dorothy Eck (D)  
Sen. Ken Miller (R)  
Rep. Betty Lou Kasten (R)  
Rep. Scott J. Orr (R)  
Rep. Carley Tuss (D)

**Members Excused:** None

**Members Absent:** None

**Staff Present:** Susan Fox, Legislative Council  
Jennifer Gaasch, Secretary

**Discussion:**

SENATOR MIKE FOSTER stated the reason they were meeting was to clear up some amendments. He asked Tom Hopgood, representing the Health Insurance Association of Montana, to explain the amendments. (EXHIBIT #1)

Tom Hopgood discussed Section 1, Subsection 5, lines 17-22, on page 3 of the bill. This is dealing with policies of disability income insurance which is a type of insurance bought to cover a person's income stream in the event that a person is unable to work because of a medical condition. He stated they had intended to allow an insurance company to exclude coverage for pre-existing conditions if medical treatment were received within the five years proceeding the effective date of the policy. They actually excluded the pre-existing condition if treatment was received within the five years, but they would allow the insurer to exclude that if it was more than five years prior to the effective date, which was the opposite of what they had intended to do. He said the amendments would conform all of the pre-existing condition clauses in the statute so they track each other exactly and to allow the exclusion of pre-existing conditions if treatment was secured within five years prior to the effective date of the coverage.

SEN. FOSTER said if there were no questions, he would entertain a motion.

Motion:

REPRESENTATIVE BETTY LOU KASTEN MOVED the amendments.

Vote:

The MOTION CARRIED UNANIMOUSLY.

ADJOURNMENT

Adjournment: 7:40 a.m.

  
\_\_\_\_\_  
MIKE FOSTER, Chairman

  
\_\_\_\_\_  
JENNIFER GAASCH, Secretary

MF/jg



**FREE CONFERENCE COMMITTEE**

on House Bill 446

Report No. 1, April 6, 1995

Mr. Speaker and Mr. President:

We, your Free Conference Committee met and considered **House Bill 446** and recommend as follows:

1. Page 3, line 18.  
Following: "ADVICE"  
Strike: ", DIAGNOSIS, CARE,"

2. Page 3, line 19.  
Following: "SERVICES"  
Insert: "unless the condition occurred"

And this FREE Conference Committee report be adopted.

For the House:

Representative Orr

Chair

Representative Kasten

Representative Tuss

For the Senate:

Senator Foster

Chair

Senator Eck

Senator Miller

ADOPT

REJECT

EXHIBIT 1  
DATE 4-6-95  
HB 446

Exhibit #1

LUXAN & MURFITT

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\*ALSO ADMITTED IN IDAHO, OREGON AND WASHINGTON

March 29, 1995

Hon. Steve Benedict  
Chairman  
Joint Select Committee on Health Care Reform  
State Capitol Building  
Helena, MT 59620

Hon. Scott Orr  
Vice Chairman  
Joint Select Committee on Health Care Reform  
State Capitol Building  
Helena, MT 59620

RE: HB-446 - Pre-existing Condition Bill

Gentlemen:

In reviewing HB-446 and my letter to both of you dated March 24, 1995, I believe it would be clearer to use the following amendment in conference committee rather than the one I previously suggested:

1. Page 3, Line 18.  
Following: "ADVICE"  
Strike: ", DIAGNOSIS, CARE,"
2. Page 3, Line 19.  
Following: "SERVICES"  
Insert: "unless the condition occurred"

With these changes, the language in subsection (5) of § 33-22-110, MCA would track exactly with subsections (1) and (2). It would be clear and all ambiguity as to the look-back period for disability income insurance would be eliminated. The subsection would read:

A POLICY OF DISABILITY INCOME INSURANCE MAY NOT EXCLUDE COVERAGE FOR A CONDITION FOR WHICH MEDICAL ADVICE, DIAGNOSIS, CARE, OR TREATMENT WAS RECOMMENDED BY OR RECEIVED FROM A PROVIDER OF HEALTH CARE SERVICES UNLESS THE CONDITION OCCURRED WITHIN FIVE YEARS PRECEDING THE EFFECTIVE DATE OF COVERAGE OF AN INSURED PERSON . . . .

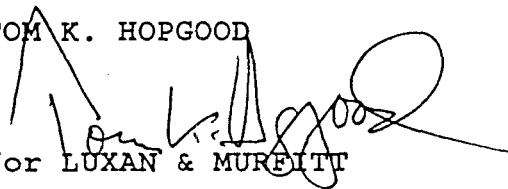
Hon. Steve Benedict  
Hon. Scott Orr  
March 29, 1995  
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I believe this is the clearest and most efficient way to accomplish our goal.

Thank you for your indulgence in this matter.

Sincerely,

TOM K. HOPGOOD



for LUXAN & MURFITT

TKH/jb

cc: Mr. Robert J. Steil  
Mr. Larry Akey  
Ms. Susan Good  
Ms. Tanya Ask  
Mr. Frank Cote