

MINUTES

MONTANA SENATE 55th LEGISLATURE - REGULAR SESSION

CONFERENCE COMMITTEE ON SENATE BILL 381

Call to Order: By **CHAIRMAN STEVE BENEDICT**, on April 15, 1997, at 9:10, in Room 402

ROLL CALL

Members Present:

Sen. Steve Benedict (R)
Sen. Bob DePratu (R)
Sen. Eve Franklin (D)
Rep. Duane Grimes (R)
Rep. Billie Krenzler (D)
Rep. William E. Boharski (R)

Members Excused: William E. Boharski

Members Absent: None

Staff Present: Phoebe Kenny, Secretary
David Niss, Legislative Service Division

EXECUTIVE ACTION ON SB 381

Motion:

REPRESENTATIVE DUANE GRIMES, moved **AMENDMENT sb038103.adn (EXHIBIT 1)**.

Discussion:

REPRESENTATIVE BILLIE KRENZLER, I thought you agreed to the amendments in the House committee.

SENATOR STEVE BENEDICT, not on the freedom of choice, because it completely goes against the purpose and intent of the bill. The intent of the bill is to try to have a bare-bones, stripped down version of a health insurance policy. When you add freedom of choice of practitioner then you put in mandates, for instance insurance companies would have to cover a single male with OBGYN coverage in their insurance policy when he does not need it. With freedom of choice of practitioner the insurance companies have to write a policy that has everything in it. This does not mesh with what I wanted to do.

SENATOR EVE FRANKLIN, I am going to speak against the amendment. I did go back and look at the freedom of choice issue. I see it

as different from the mandate issue. I was here in 1991 and 1993 when we initially hassled with the issue of setting up that first small group insurance policy, and then in 1995 it was revised with HB 533 to make it more stripped down. **SENATOR BENEDICT** is right in regard to the mandates. HB 533 moved the small group insurance into a situation where you don't have to have all those mandated benefits. I think the freedom of choice of practitioner is a semantic issue whether it's a mandated benefit or not. It is a separate issue and it wasn't in HB 533. The reason the bill came to us was there had been a mistake in the codification of mandated benefits and they couldn't issue any more new policies under the stripped down portion. I don't think freedom of choice was ever part of that in HB 533. I think that we are making a second policy decision here. Again it's a question of whether you agree with it or not but I don't think that HB 533 made that policy decision.

SENATOR BENEDICT, I would beg to differ. I asked the insurance commissioner and he put that language in. I asked them to research what we tried to do in HB 533, so the language that I am restoring with these amendments came from the insurance commissioner's office.

SENATOR FRANKLIN, I remember Frank Cote responded to that and he did say that he thought it was a mandated benefit but he wasn't sure. Freedom of choice, to me, speaks to all the folks that have traditionally come to us and said that they could do the job in their scope of practice at a more cost effective rate. To me it is a separate issue. I would make the case that the stripped down version of the health plans with "mandated benefits" out, is fine but I would encourage us to keep "freedom of choice" in.

SENATOR BENEDICT, The idea behind this is to have a catastrophic insurance policy. Something that takes care of catastrophic illness. A policy like this kicks in after they put so much of their own money in. I think that is what we are trying to get at with this.

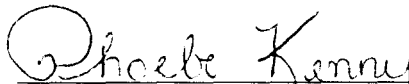
Vote: The motion to amend SB 381 **PASSED WITH SENATOR FRANKLIN AND REPRESENTATIVE KRENZLER VOTING NO.**

ADJOURNMENT

Adjournment: 9:25



SEN. STEVE BENEDICT, Chairman



PHOEBE KENNY, Secretary

SB/PK