

HOUSE BILL NO. 505

INTRODUCED BY LUND, GESEK

BY REQUEST OF THE DEPARTMENT OF SOCIAL  
AND REHABILITATION SERVICES

IN THE HOUSE

February 1, 1979	Introduced and referred to Committee on Judiciary.
February 9, 1979	Committee recommend bill do pass. Report adopted.
February 10, 1979	Printed and placed on members' desks.
February 12, 1979	Motion pass consideration.
February 13, 1979	Second reading, do pass.
February 14, 1979	Considered correctly engrossed.
February 15, 1979	Third reading, passed. Transmitted to second house.

IN THE SENATE

February 16, 1979	Introduced and referred to Committee on Public Health, Welfare, and Safety.
March 5, 1979	Committee recommend bill be concurred in. Report adopted.
March 7, 1979	Second reading, concurred in.
March 9, 1979	Third reading, concurred in.

IN THE HOUSE

March 10, 1979	Returned from second house. Concurred in. Sent to enrolling.  Reported correctly enrolled.
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1 House BILL NO. 505  
 2 INTRODUCED BY Paul Lesek  
 3 BY REQUEST OF THE DEPARTMENT OF SOCIAL  
 4 AND REHABILITATION SERVICES

6 A BILL FOR AN ACT ENTITLED: "AN ACT TO PROHIBIT EXCLUSIONS  
 7 FROM INSURANCE POLICIES AND MEMBERSHIP CONTRACTS WHICH  
 8 REDUCE OR DENY BENEFITS TO PERSONS ELIGIBLE TO RECEIVE  
 9 PUBLIC MEDICAL ASSISTANCE; AMENDING SECTIONS 33-22-112 AND  
 10 33-30-1002, MCA."

12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

13 Section 1. Section 33-22-112, MCA, is amended to read:

14 "33-22-112. Disability insurance coverage of services  
 15 of state institutions -- provision void -- rate of payment.

16 (1) From and after February 14, 1973, it shall be unlawful  
 17 for any insurance company issuing disability insurance  
 18 policies in Montana to exclude from coverage in a disability  
 19 insurance policy services rendered the insured while a  
 20 resident in a Montana state institution, provided such the  
 21 services to such the insured would be covered by such the  
 22 disability insurance policy if rendered to him outside such  
 23 a Montana state institution.

24 (2) A disability insurance policy ~~shall be deemed to~~  
 25 be is considered "issued in Montana" if the insured

1 purchasing such the disability insurance policy is, at the  
 2 time of such the purchase, residing in the state of Montana.

3 (3) If the exclusion prohibited by this section should  
 4 appear in a disability insurance policy issued in Montana  
 5 after February 14, 1973, such the provision ~~shall be deemed~~  
 6 is void and such the disability insurance policy will be  
 7 deemed considered to cover services rendered the insured in  
 8 a Montana state institution if such the services would have  
 9 been covered if rendered to an insured outside of a Montana  
 10 state institution.

11 (4) Payment for services rendered in a Montana state  
 12 institution shall be to the same extent and at the same  
 13 rates, according to the provisions of such the disability  
 14 policy, which would be paid for such the services if  
 15 rendered outside a Montana state institution."

16 NEW SECTION. Section 2. Disability insurance coverage  
 17 of persons eligible for public medical assistance. No  
 18 disability insurance policy providing hospital, medical, or  
 19 surgical expense benefits delivered or issued for delivery  
 20 in this state on or after July 1, 1979, may contain any  
 21 provision denying or reducing such benefits for the reason  
 22 that the person insured is eligible for or receiving public  
 23 medical assistance provided under Title 53, chapter 2.

24 Section 3. Section 33-30-1002, MCA, is amended to  
 25 read:

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 INTRODUCED BILL

1       "33-30-1002. Disability coverage of services of  
 2 received in state institutions from public medical  
 3 assistance -- provision void -- rate of payment. (1) From  
 4 and after February 14, 1973, it shall be unlawful for any  
 5 health service corporation issuing ~~disability insurance~~  
 6 ~~policies membership contracts~~ in Montana to exclude from  
 7 coverage in a ~~disability insurance policy~~ membership  
 8 contract services rendered the insured while a resident in a  
 9 Montana state institution, provided ~~such the~~ services to  
 10 ~~such the~~ insured would be covered by ~~such disability~~  
 11 ~~insurance policy~~ the membership contract if rendered to him  
 12 outside such a Montana state institution.

13       (2) A ~~disability insurance policy shall be deemed to~~  
 14 ~~be membership contract is considered~~ "issued in Montana" if  
 15 the insured purchasing ~~such disability insurance policy~~ the  
 16 membership contract is, at the time of such purchase,  
 17 residing in the state of Montana.

18       (3) If the exclusion prohibited by this section  
 19 should appear in a ~~disability insurance policy membership~~  
 20 contract issued in Montana after February 14, 1973, ~~such the~~  
 21 ~~provision shall be deemed is~~ void and ~~such disability~~  
 22 ~~insurance policy~~ the membership contract will be deemed  
 23 considered to cover services rendered the insured in a  
 24 Montana state institution if ~~such the~~ services would have  
 25 been covered if rendered to an insured outside of a Montana

1 state institution.

2       (4) Payment for services rendered in a Montana state  
 3 institution shall be to the same extent and at the same  
 4 rates, according to the provisions of ~~such disability policy~~  
 5 the membership contract, which would be paid for ~~such the~~  
 6 services if rendered outside a Montana state institution.

7       (5) No membership contract issued by a health service  
 8 corporation on or after July 1, 1979, may deny or reduce  
 9 benefits to any member on the ground that the person insured  
 10 is eligible for or receiving public medical assistance  
 11 provided under Title 53, chapter 2."

12       Section 4. Codification. It is intended that section 2  
 13 be codified as an integral part of Title 33, chapter 22,  
 14 part 1, and the definitions and provisions of Title 33,  
 15 chapter 22, apply to section 2.

-End-

Approved by Committee  
on Judiciary

HOUSE BILL NO. 505

INTRODUCED BY

Paul Tesch

BY REQUEST OF THE DEPARTMENT OF SOCIAL  
AND REHABILITATION SERVICES

A BILL FOR AN ACT ENTITLED: "AN ACT TO PROHIBIT EXCLUSIONS FROM INSURANCE POLICIES AND MEMBERSHIP CONTRACTS WHICH REDUCE OR DENY BENEFITS TO PERSONS ELIGIBLE TO RECEIVE PUBLIC MEDICAL ASSISTANCE; AMENDING SECTIONS 33-22-112 AND 33-30-1002, MCA."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 33-22-112, MCA, is amended to read:

"33-22-112. Disability insurance coverage of services of state institutions -- provision void -- rate of payment.

(1) From and after February 14, 1973, it shall be unlawful for any insurance company issuing disability insurance policies in Montana to exclude from coverage in a disability insurance policy services rendered the insured while a resident in a Montana state institution, provided such the services to such the insured would be covered by such the disability insurance policy if rendered to him outside such a Montana state institution.

(2) A disability insurance policy shall-be--deemed--to be is considered "issued in Montana" if the insured

purchasing such the disability insurance policy is, at the time of such the purchase, residing in the state of Montana.

(3) If the exclusion prohibited by this section should appear in a disability insurance policy issued in Montana after February 14, 1973, such the provision shall-be--deemed is void and such the disability insurance policy will be deemed considered to cover services rendered the insured in a Montana state institution if such the services would have been covered if rendered to an insured outside of a Montana state institution.

(4) Payment for services rendered in a Montana state institution shall be to the same extent and at the same rates, according to the provisions of such the disability policy, which would be paid for such the services if rendered outside a Montana state institution."

NEW SECTION. Section 2. Disability insurance coverage of persons eligible for public medical assistance. No disability insurance policy providing hospital, medical, or surgical expense benefits delivered or issued for delivery in this state on or after July 1, 1979, may contain any provision denying or reducing such benefits for the reason that the person insured is eligible for or receiving public medical assistance provided under Title 53, chapter 2.

Section 3. Section 33-30-1002, MCA, is amended to read:

1        "33-30-1002. Disability coverage of services of  
 2 received in state institutions from public medical  
 3 assistance -- provision void -- rate of payment. (1) From  
 4 and after February 14, 1973, it shall be unlawful for any  
 5 health service corporation issuing ~~disability--insurance~~  
 6 ~~policy~~ membership contracts in Montana to exclude from  
 7 coverage in a ~~disability--insurance--policy~~ membership  
 8 contract services rendered the insured while a resident in a  
 9 Montana state institution, provided ~~such the~~ services to  
 10 ~~such the~~ insured would be covered by ~~such--disability~~  
 11 ~~insurance--policy~~ the membership contract if rendered to him  
 12 outside such a Montana state institution.

13        (2) A ~~disability--insurance--policy~~ ~~shall be deemed to~~  
 14 ~~be membership contract is considered~~ "issued in Montana" if  
 15 the insured purchasing ~~such disability--insurance--policy~~ the  
 16 membership contract is, at the time of such purchase,  
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18        (3) If the exclusion prohibited by this section  
 19 should appear in a ~~disability--insurance--policy~~ membership  
 20 contract issued in Montana after February 14, 1973, ~~such the~~  
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 23 considered to cover services rendered the insured in a  
 24 Montana state institution if ~~such the~~ services would have  
 25 been covered if rendered to an insured outside of a Montana

1 state institution.

2        (4) Payment for services rendered in a Montana state  
 3 institution shall be to the same extent and at the same  
 4 rates, according to the provisions of ~~such disability--policy~~  
 5 the membership contract, which would be paid for ~~such the~~  
 6 services if rendered outside a Montana state institution.

7        (5) No membership contract issued by a health service  
 8 corporation on or after July 1, 1979, may deny or reduce  
 9 benefits to any member on the ground that the person insured  
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