SENATE BILL NO. 285

INTRODUCED BY CHRISTIAENS, FABREGA, FULLER, HALLIGAN, R. MANNING, STIMATZ, LEE, GOODOVER, NILSON, FARRIS, BACHINI, NISBET, DRISCOLL

IN THE SENATE

January 25, 1983	Introduced and referred to Committee on Business and Industry.
February 3, 1983	Committee recommend bill do pass as amended. Report adopted.
February 4, 1983	Bill printed and placed on members' desks.
February 7, 1983	Second reading, do pass as amended.
February 8, 1983	Correctly engrossed.
February 9, 1983	Third reading, passed, Ayes, 49; Noes, 0. Transmitted to House.
IN THE HOUSE	
February 10, 1983	Introduced and referred to Committee on State Administration.
March 3, 1983	Committee recommend bill be concurred in as amended. Report adopted.
March 5, 1983	Second reading, concurred in.
March 7, 1983	Third reading, concurred in.

IN THE SENATE

March 8, 1983

Returned to Senate with amendments.

March 9, 1983

March 10, 1983

Second reading, amendments concurred in.

Third reading, amendments concurred in. Ayes, 46; Noes, 0.

Sent to enrolling.

Reported correctly enrolled.

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1	Genate BILL NO. 285
2	INTRODUCED BY Structures to the fulle sallyon
3	Hisharde. Manning Stones Cue Sondore Miles Fare
4	A BILL FOR AN ACT ENTITLED: "AN ACT ALLOWING THE SPOUSE OF Book
5	A RETIRED PUBLIC EMPLOYEE TO REMAIN A MEMBER OF A GROUP
6	INSURANCE PLAN OR TO CONVERT A GROUP INSURANCE POLICY:
7	AMENDING SECTION 2-18-704, MCA.**

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

Section 1. Section 2-18-704, MCA, is amended to read:

"2-18-704. Mandatory provisions. (1) An insurance

contract or plan issued after June 30, 1977, under this part

must contain provisions that permit:

- (a) the member of a group who retires from active service under the appropriate retirement provisions provided by law to remain a member of the group until he becomes eligible for medicare under the federal Health Insurance for the Aged Act, 42 U.S.C. 1395, as amended, unless he is a participant in another group plan with substantially the same or greater benefits at an equivalent cost or unless he is employed and, by virtue of that employment, is eligible to participate in another group plan with substantially the same or greater benefits at an equivalent cost;
- (b) the surviving spouse of a member to remain a member of the group as long as the spouse is eligible for

retirement benefits accrued by the deceased member as provided by law unless the spouse is eligible for medicare under the federal Health Insurance for the Aged Act or unless the spouse has or is eligible for equivalent insurance coverage as provided in subsection (1)(a):

6 (c) the surviving children of a member to remain
7 members of the group as long as they are eligible for
8 retirement benefits accrued by the deceased member as
9 provided by law unless they have equivalent coverage as
10 provided in subsection (1)(a) or are eligible for insurance
11 coverage by virtue of the employment of a surviving parent
12 or legal guardian.

13 (2) An insurance contract or plan issued after
14 September 30. 1983. under this part must contain the
15 provisions of subsection (1) and also must permit:

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a surviving spouse under subsection (1)(b): and
(b) the spouse of a retiring member to convert a group

policy as provided in 33-22-508.

(a) the spouse of a retired member the same rights as

20 <u>†27131</u> A person electing to remain a member of the 21 group under subsection <u>subsections</u> (1) <u>and (2)</u> must pay the 22 full premium for his coverage and for that of his covered 23 dependents."

48th Legislature \$8 0285/02

SENATE BILL NO. 285

Approved by Committee on Business and Industry

2	INTRODUCED BY CHRISTIAENS, PARREGA, FOLLER, MALLIGARY
3	R. MANNING, STIMATZ, LEE, GOODDVER, NILSON, FARRIS,
4	BACHINI, NISBET, DRISCOLL
5	
6	A BILL FOR AN ACT ENTITLED: "AN ACT ALLOWING THE SPOUSE OF
7	A RETIRED PUBLIC EMPLOYEE TO REMAIN A MEMBER OF A GROUP
8	INSURANCE PLAN OR TO CONVERT A GROUP INSURANCE POLICY;
9	AMENDING SECTION 2-18-704, MCA.*
10	
11	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
12	Section 1. Section 2-18-704, MCA, is amended to read:
13	"2-18-704. Mandatory provisions. (1) An Insurance
14	contract or plan issued after June 30, 1977, under this part
15	must contain provisions that permit:
16	(a) the member of a group who retires from active
17	service under the appropriate retirement provisions provided
18	by law to remain a member of the group until he becomes
19	eligible for medicare under the federal Health Insurance for
20	the Aged Act, 42 U.S.C. 1395, as amended, unless he is a
21	participant in another group plan with substantially the
22	same or greater benefits at an equivalent cost or unless he
23	is employed and, by virtue of that employment, is eligible
24	to participate in another group plan with substantially the
25	same or greater benefits at an equivalent cost;

l	(b) the surviving spouse of a member to remain a
2	member of the group as long as the spouse is eligible for
3	retirement benefits accrued by the deceased member as
÷	provided by law unless the spouse is eligible for medicare
5	under the federal Health Insurance for the Aged Act or
5	unless the spouse has or is eligible for equivalent
7	insurance coverage as provided in subsection (11(a):

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- (c) the surviving children of a member to remain members of the group as long as they are eligible for retirement penefits accrued by the deceased member as provided by law unless they have equivalent coverage as provided in subsection (1)(a) or are eligible for insurance coverage by virtue of the employment of a surviving parent or legal quardian.
- 15 (2) An insurance contract or plan issued after
 16 September JUNE 30. 1983. under this part must contain the
 17 provisions of subsection (1). EXCEPT THAT THE PROVISIONS
 18 RELATING TO ELIGIBILITY FOR MEDICARE IN SUBSECTIONS (1)(A)
 19 AND (1)(8) MAY NOT BE INCLUDED: and also must permit:
- 20 (a) the spouse of a retired member the same rights as
 21 a surviving spouse under subsection (1)(b): and
- 22 <u>fbl_the_spouse_of_a_retiring_member_to_convert_a_group</u>
 23 <u>policy_as_provided_in_33-22-508</u>
- 24 (2)(3) A person electing to remain a member of the 25 group under subsection subsections (1) and (2) must pay the

- 1 full premium for his coverage and for that of his covered
- 2 dependents.**

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1	SENATE BILL NO. 285
2	INTRODUCED BY CHRISTIAENS, FABREGA, FULLER, HALLIGAN,
3	R. MANNING, STIMATZ, LEE, GOODOVER, NILSON, FARRIS,
4	BACHINI, NISBET, DRISCOLL
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6	A BILL FOR AN ACT ENTITLED: "AN ACT ALLOWING THE SPOUSE OF
7	A RETIRED PUBLIC EMPLOYEE TO REMAIN A MEMBER OF A GROUP
8	INSURANCE PLAN OR TO CONVERT A GROUP INSURANCE POLICY:
9	AMENDING SECTION 2-18-704, MCA.*
.0	
.1	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
2	Section 1. Section 2-18-704, MCA, is amended to read:
13	#2-18-704. Mandatory provisions. (1) An insurance
.4	contract or plan issued after June 30, 1977, under this part
15	must contain provisions that permit:
16,	(a) the member of a group who retires from active
7	service under the appropriate retirement provisions provided
8	by law to remain a member of the group until he becomes
.9	eligible for medicare under the federal Health Insurance for
0	the Aged Act, 42 U.S.C. 1395; as amended, unless he is a
1	participant in another group plan with substantially the
2	same or greater benefits at an equivalent cost or unless he
3	is employed and, by virtue of that employment, is eligible
4	to participate in another group plan with substantially the
5	same or greater benefits at an equivalent cost;

(b) the surviving spouse of a member to remain a
member of the group as long as the spouse is eligible for
retirement benefits accrued by the deceased member as
provided by law unless the spouse is eligible for medicare
under the federal Health Insurance for the Aged Act or
unless the spouse has or is eligible for equivalent
insurance coverage as provided in subsection (1)(a);
(c) the surviving children of a member to remain
members of the group as long as they are eligible for
retirement benefits accrued by the deceased member as
provided by law unless they have equivalent coverage as
provided in subsection (1)(a) or are eligible for insurance
coverage by virtue of the employment of a surviving parent
or legal guardian.
121 An insurance contract or plan issued after
September JUNE 30. 1983. under this part must contain the
provisions_of_subsection_tllw==EXEEPI==EMAX==EHE==PROVISIONS
RELATING==IG==ELIGIBILITY=EBR=MEDICARE=IN=SUBSECTIONS={}}
AND-flitB:=MAY=NBF=BE=INSEM9ED: and also must permit:
(a) the spouse of a retired member the same rights as
a_surviving_spouse_under_subsection_[1][b]:_and
<pre>{b}_the_spouse_of_a_retiring_member_to_convert_a_group</pre>
policy as provided in 33-22-508.
+2+131 A person electing to remain a member of the
group under subsection subsections (1) and (2) must pay the

- full premium for his coverage and for that of his covered
- 2 dependents.*

HOUSE OF REPRESENTATIVES STATE ADMINISTRATION COMMITTEE SENATE BILL 285 MARCH 1, 1983

1. Title, line 9. Following: "MCA"

Insert: "; AND PROVIDING AN EFFECTIVE DATE"

2. Page 2, line 17.

Following: "(1)"
Insert: "for remaining a member of the group"

3. Page 2, line 21.
Strike: "and"

4. Page 2, line 23.

Following: "33-22-508"

Insert: "; and (c) continued membership in the group by anyone eligible under the provisions of this section notwithstanding the person's eligibility for medicare under the federal Health Insurance for the Aged Act"

5. Page 3.

Following: line 2

Insert: "NEW SECTION. Section 2. Effective date. This act is effective June 30, 1983."

SB 0285/04 48th Legislature

1	SENATE BILL NO. 285
2	INTRODUCED BY CHRISTIAENS, FABREGA, FULLER, HALLIGAN,
3	R. MANNING, STIMATZ, LEE, GOODOVER, HILSON, FARRIS,
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7	A RETIRED PUBLIC EMPLOYEE TO REMAIN A MEMBER OF A GROUP
8	INSURANCE PLAN DR TO CONVERT A GROUP INSURANCE POLICY;
9	AMENDING SECTION 2-18-704, MCA: AND PROVIDING AN EFFECTIVE
10	DATE."
11	
12	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
13	Section 1. Section 2-18-704, MEA, is amended to read:
14	#2-18-704. Mandatory provisions. (1) An insurance
15	contract or plan issued after June 30, 1977, under this part
16	must contain provisions that permit:
17	(a) the member of a group who retires from active
18	service under the appropriate retirement provisions provided
19	by law to remain a member of the group until he becomes
20	eligible for medicare under the federal Health Insurance for
21	the Aged Act, 42 U.S.C. 1395, as amended, unless he is a
22	participant in another group plan with substantially the
23	same or greater benefits at an equivalent cost or unless he

is employed and, by virtue of that employment, is eligible

to participate in another group plan with substantially the

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2	(b) the surviving spouse of a member to remain a
3	member of the group as long as the spouse is eligible for
4	retirement benefits accrued by the deceased member as
5	provided by law unless the spouse is eligible for medicare
6	under the federal Health Insurance for the Aged Act of
7	unless the spouse has or is aligible for equivalent
8	insurance coverage as provided in subsection (1)(a);
9	(c) the surviving children of a member to remain
10	members of the group as long as they are eligible for
11	retirement benefits accrued by the deceased member as
12	provided by law unless they have equivalent coverage as
13	provided in subsection (1)(a) or are eligible for insurance
14	coverage by virtue of the employment of a surviving paren
15	or legal guardian.
16	(2) An insurance contract or plan issued after
17	September JUNE 30, 1983, under this part must contain the
18	provisions of subsection (1) FOR REMAINING A MEMBER OF IN
19	GROUP - EXCEPT THAT THE PROVISIONS - RELATING - TO - ELISIBILIT
20	for_medicare==in== subsections ==tlitat=and=tlitat=max=ndi=b
21	INCLYPEDx and also_must_permit:
22	(a) the spouse of a retired member the same rights as
23	a_surviving_spouse_under_subsection_(1)(b): and
24	<pre>(b) the spouse of a retiring member to convert a group</pre>
25	policy as provided in 33-22-508: AND

-2-

SB 0285/04

1	(C) CONTINUED MEMBERSHIP IN THE GROUP BY ANYONE
2	ELIGIBLE UNDER THE PROVISIONS DE THE SECTION NOTWITHSTANDING
3	THE PERSON'S ELIGIBILITY FOR MEDICARE UNDER THE EEDERAL
4	HEALTH INSURANCE FOR THE AGED ACT.
5	(2)(2) A person electing to remain a member of the
6	group under subsection subsections (1) and (2) must pay the
7	full premium for his coverage and for that of his covered
8	depend ents.*
9	SECTION 2. EFFECTIVE DATE. THIS ACT IS FFFECTIVE HUNE
10	30 <u>* 1983*</u>

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1	SENATE BILL NO. 285
2	INTRODUCED BY CHRISTIAENS, FABREGA, FULLER, HALLIGAN,
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9	AMENDING SECTION 2-18-704, MCA: AND PROVIDING AN EFFECTIVE
10	DATE . "
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the Aged Act, 42 U.S.C. 1395, as amended, unless he is a

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same or greater benefits at an equivalent cost or unless he

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6	under the federal Health Insurance for the Aged Act or
7	unless the spouse has or is eligible for equivalent
8	insurance coverage as provided in subsection (1)(a);
9	(c) the surviving children of a member to remain
10	members of the group as long as they are eligible for
11	retirement benefits accrued by the deceased member as
12	provided by law unless they have equivalent coverage as
13	provided in subsection (1)(a) or are eligible for insurance
14	coverage by virtue of the employment of a surviving parent
15	or legal guardian.
16	(2) An insurance contract or plan issued after
17	September JUNE 30: 1983: under this part must contain the
18	provisions of subsection (1) FOR REMAINING A MEMBER DE THE

GROUP--EXCEPT-IHAT-THE-PROVISIONS--RELATING--IO--ELIGIBILITY

EBR: MEDICARE IN SUBSECTIONS ILLIAN AND ILLIAS MAY NOT BE

a surviving spouse under subsection (1)(b): end

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(b) the spouse of a retiring member to convert a group

INCLUDED: and also must permit:

policy as provided in 33-22-508: AND

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2	ELIGIBLE UNDER THE PROVISIONS OF the IHIS section
3	notwithstanding the person's eligibility for medicare under
4	the federal Health losurance for the Aged Act.
5	t2)[3] A person electing to remain a member of the
6	group under subsection subsections (1) and (2) must pay the
7	full premium for his coverage and for that of his covered
8	dependents.*
9	SECTION 2. EFFECTIVE DATE. THIS ACT IS EFFECTIVE JUNE
10	<u>30. 1983.</u>