

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.
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March 9, 1983

Second reading,
amendments concurred in.

March 10, 1983

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

Sent to enrolling.

Reported correctly
enrolled.

1 *Sen. Bill No. 285*
2 INTRODUCED BY *Christine Feltz Fuller*
3 *Richard E. Manning* *Stanley Lee Gordon* *Nixon* *Foris*
4 *Wick* *Daniel* *Becker*
5 A BILL FOR AN ACT ENTITLED: "AN ACT ALLOWING THE SPOUSE OF
6 A RETIRED PUBLIC EMPLOYEE TO REMAIN A MEMBER OF A GROUP
7 INSURANCE PLAN OR TO CONVERT A GROUP INSURANCE POLICY;
8 AMENDING SECTION 2-18-704, MCA."
9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
10 Section 1. Section 2-18-704, MCA, is amended to read:
11 "2-18-704. Mandatory provisions. (1) An insurance
12 contract or plan issued after June 30, 1977, under this part
13 must contain provisions that permit:
14 (a) the member of a group who retires from active
15 service under the appropriate retirement provisions provided
16 by law to remain a member of the group until he becomes
17 eligible for medicare under the federal Health Insurance for
18 the Aged Act, 42 U.S.C. 1395, as amended, unless he is a
19 participant in another group plan with substantially the
20 same or greater benefits at an equivalent cost or unless he
21 is employed and, by virtue of that employment, is eligible
22 to participate in another group plan with substantially the
23 same or greater benefits at an equivalent cost;
24 (b) the surviving spouse of a member to remain a
25 member of the group as long as the spouse is eligible for

1 retirement benefits accrued by the deceased member as
2 provided by law unless the spouse is eligible for medicare
3 under the federal Health Insurance for the Aged Act or
4 unless the spouse has or is eligible for equivalent
5 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:~~
16 ~~(a) the spouse of a retired member the same rights as~~
17 ~~a surviving spouse under subsection (1)(b); and~~
18 ~~(b) the spouse of a retiring member to convert a group~~
19 ~~policy as provided in 33-22-506.~~
20 ~~(2)(3) A person electing to remain a member of the~~
21 ~~group under subsections (1) and (2) must pay the~~
22 ~~full premium for his coverage and for that of his covered~~
23 ~~dependents."~~

-End-

-2- INTRODUCED BILL

SB 285

Approved by Committee
on Business and Industry

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INTRODUCED BY CHRISTIAENS, FABREGA, FULLER, HALLIGAN,
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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);

(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.

~~(2) An insurance contract or plan issued after
September JUNE 30, 1983, under this part must contain the
provisions of subsection (1), EXCEPT THAT THE PROVISIONS
RELATING TO ELIGIBILITY FOR MEDICARE IN SUBSECTIONS (1)(A)
AND (1)(B) MAY NOT BE INCLUDED, and also must permit:~~

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

~~(2)(3) A person electing to remain a member of the
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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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);

(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.

~~(2) An insurance contract or plan issued after
September JUNE 30, 1983, under this part must contain the
provisions of subsection (1) EXCEPT THAT THE PROVISIONS
RELATING TO ELIGIBILITY FOR MEDICARE IN SUBSECTIONS (1)(a)
AND (1)(b) MAY NOT BE INAPPLICABLE, and also must permit:~~

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

~~(2)(3) A person electing to remain a member of the
group under subsection subsections (1) and (2) must pay the~~

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

-End-

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."

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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
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to participate in another group plan with substantially the

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(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.

~~(2) An insurance contract or plan issued after
September JUNE 30, 1983, under this part must contain the
provisions of subsection (1) FOR REMAINING A MEMBER OF THE
GROUP, EXCEPT THAT THE PROVISIONS RELATING TO ELIGIBILITY
FOR MEDICARE IN SUBSECTIONS (1)(a) AND (1)(b) MAY NOT BE
INCLUDED, and also must permit:~~

~~(a) the spouse of a retired member the same rights as
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; AND~~

1 (C) CONTINUED MEMBERSHIP IN THE GROUP BY ANYONE
2 ELIGIBLE UNDER THE PROVISIONS OF THE SECTION NOTWITHSTANDING
3 THE PERSON'S ELIGIBILITY FOR MEDICARE UNDER THE FEDERAL
4 HEALTH INSURANCE FOR THE AGED ACT.

5 ~~{2}{1}~~ 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 30, 1983.

-End-

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1 ~~(C) CONTINUED MEMBERSHIP IN THE GROUP BY ANYONE~~
2 ~~ELIGIBLE UNDER THE PROVISIONS OF the THIS section~~
3 ~~notwithstanding the person's eligibility for medicare under~~
4 ~~the federal Health Insurance for the Aged Act.~~

5 ~~(2)(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 ~~30, 1983.~~

-End-