

HOUSE BILL NO. 534

INTRODUCED BY COCCHIARELLA

IN THE HOUSE

FEBRUARY 9, 1993	INTRODUCED AND REFERRED TO COMMITTEE ON WORKERS' COMP SELECT COMMITTEE.
	FIRST READING.
FEBRUARY 18, 1993	COMMITTEE RECOMMEND BILL DO PASS. REPORT ADOPTED.
FEBRUARY 19, 1993	PRINTING REPORT.
FEBRUARY 20, 1993	SECOND READING, DO PASS.
FEBRUARY 22, 1993	ENGROSSING REPORT.
FEBRUARY 23, 1993	THIRD READING, PASSED. AYES, 95; NOES, 5.
FEBRUARY 24, 1993	TRANSMITTED TO SENATE.

IN THE SENATE

MARCH 1, 1993	INTRODUCED AND REFERRED TO COMMITTEE ON LABOR & EMPLOYMENT RELATIONS.
	FIRST READING.
MARCH 12, 1993	COMMITTEE RECOMMEND BILL BE CONCURRED IN. REPORT ADOPTED.
MARCH 13, 1993	SECOND READING, CONCURRED IN.
MARCH 15, 1993	THIRD READING, CONCURRED IN. AYES, 49; NOES, 0.
	RETURNED TO HOUSE.

IN THE HOUSE

MARCH 16, 1993	RECEIVED FROM SENATE.
	SENT TO ENROLLING.
	REPORTED CORRECTLY ENROLLED.

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2 INTRODUCED BY Cochiaudla
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4 A BILL FOR AN ACT ENTITLED: "AN ACT CLARIFYING THAT
5 WORKERS' COMPENSATION RATES AND RATING PLANS MUST BE
6 DEVELOPED WITHOUT REGARD TO ANY DEDUCTIBLE PAID ON MEDICAL
7 LOSSES; AMENDING SECTION 39-71-434, MCA; AND PROVIDING AN
8 EFFECTIVE DATE."

9
10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

11 **Section 1.** Section 39-71-434, MCA, is amended to read:

12 "39-71-434. Deductible insurance policy provision for
13 medical benefits. (1) In order to lower the amount an
14 employer is required to pay to obtain workers' compensation
15 insurance coverage under this chapter, a workers'
16 compensation policy issued by the state compensation
17 insurance fund under plan No. 3 or by a private insurer
18 under plan No. 2 must offer a deductible for the medical,
19 hospital, and related services allowed under 39-71-704. The
20 medical deductible must be offered in amounts of at least
21 \$500.

22 (2) If the insured employer chooses to accept a medical
23 deductible, the insured employer is liable for the amount of
24 the deductible for the medical benefits paid for each
25 otherwise compensable claim of work injury suffered by an

1 employee.

2 (3) The insured employer shall contract with the
3 insurer to have the insurer pay the entire cost of the
4 covered medical benefits directly to the provider of medical
5 or related services and then seek reimbursement from the
6 insured employer for the deductible amount. The insurer is
7 entitled to reimbursement only for medical, hospital, and
8 related services allowed under 39-71-704, up to the amount
9 of the deductible.

10 (4) If an insured employer who has contracted with an
11 insurer for a medical deductible does not pay the medical
12 deductible amount to the insurer through reimbursement, the
13 amount paid by the insurer on the claim may be included as
14 benefits paid in a determination of the insured employer's
15 rate.

16 (5) If an insured employer chooses to accept a medical
17 deductible, then for purposes of computing rates and rating
18 plans, all medical losses incurred must be reported to the
19 insurer without regard to the application of any medical
20 deductible regardless of whether the employer or the insurer
21 pays the losses."

22 **NEW SECTION. Section 2.** Effective date. [This act] is
23 effective July 1, 1993.

-End-

APPROVED BY THE SELECT
COMMITTEE ON WORKER'S COMP.

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