

SENATE BILL 262

Introduced by Christiaesn, et al.

1/27	Introduced
1/27	Referred to Public Health, Welfare & Safety
1/27	First Reading
1/27	Fiscal Note Requested
2/02	Fiscal Note Received
2/03	Fiscal Note Printed
2/08	Hearing
2/19	Tabled in Committee

1 *Senate* BILL NO. *262*
 2 INTRODUCED BY *Christopher Cocchiarella*
 3 *Arizona* *Shirley Cooley* *James W. Ryan*
 4 *Yellowstone* *Ja. Wilson* *Wilson* *Gergeson* *Hick* *David*
 5 A BILL FOR AN ACT ENTITLED: "AN ACT TO PROVIDE CONTINUITY
 6 OF HEALTH CARE COVERAGE FOR ANY PREEXISTING CONDITION OF AN
 7 INDIVIDUAL PREVIOUSLY COVERED BY INSURANCE OR ANOTHER HEALTH
 8 PLAN OR PROGRAM."

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

10 NEW SECTION. Section 1. Definitions. As used in
 11 [section 2] and this section, unless the context requires
 12 otherwise, the following definitions apply:

13 (1) "Insurer" means:

14 (a) a person, company, or firm that operates pursuant
 15 to Title 33, chapter 2 or 3, and offers or sells individual
 16 or group policies or contracts of disability insurance as
 17 provided in Title 33, chapter 22;

18 (b) a health service corporation as defined in
 19 33-30-101; or

20 (c) a health maintenance organization as defined in
 21 33-31-102.

22 (2) "Late enrollee" means a person who requests
 23 enrollment in a group plan following the initial enrollment
 24 period provided under the terms of the plan, except that a
 25 person is not a late enrollee if:

1 (a) the request for enrollment is made within 30 days
 2 after termination of coverage under a prior contract or
 3 policy and the individual did not request coverage initially
 4 under the succeeding contract because the individual was
 5 covered under a prior contract or policy and coverage under
 6 that contract or policy ceased due to termination of
 7 employment, death of a spouse, or dissolution of marriage;
 8 or

9 (b) a court ordered that coverage be provided for a
 10 spouse or minor child under a covered employee's plan and
 11 the request for coverage is made within 30 days after
 12 issuance of the court order.

13 (3) "Preexisting condition" means an illness, disease,
 14 injury, or other condition that existed within 1 year of the
 15 effective date of new coverage, as evidenced by medical
 16 advice, diagnosis, care, or treatment that was recommended
 17 or received for the condition.

18 (4) "Qualifying previous coverage" means health care
 19 coverage or health benefits provided for a period of at
 20 least 3 months under:

21 (a) a policy or contract of disability insurance;

22 (b) an employee welfare benefit plan approved under the
 23 federal Employee Retirement Income Security Act of 1974, 29
 24 U.S.C. 1001, et seq.;

25 (c) a comprehensive health association plan authorized

1 under 33-22-1521;

2 (d) the Montana medicaid program established in
3 53-6-101;

4 (e) the general relief medical assistance program
5 provided for in Title 53, chapter 3;

6 (f) the medicare program provided in Title XVIII of the
7 federal Social Security Act;

8 (g) the civilian health and medical program of the
9 uniformed services (CHAMPUS) as defined in 10 U.S.C. 1072;

10 (h) a contract or plan issued by a health service
11 corporation or health maintenance organization; or

12 (i) a program or plan similar to those listed in
13 subsections (4)(a) through (4)(h) provided in another state,
14 as determined by the commissioner.

15 **NEW SECTION. Section 2.** Continuity of coverage for
16 preexisting conditions of individuals with previous
17 coverage. (1) Notwithstanding the provisions of 33-22-216,
18 33-22-508, 33-30-1007, and 33-31-301 and except as provided
19 in subsections (2) and (3), an insurer may not exclude
20 coverage for a preexisting condition of a person who has
21 maintained qualifying previous coverage continuous to a date
22 not more than 6 months prior to the effective date of the
23 new coverage. Coverage provided under this section may not
24 require additional evidence of insurability, and premiums
25 for coverage must be at the insurer's then customary rate

1 applicable to the individual or group policy or plan.

2 (2) An insurer may exclude coverage for a preexisting
3 condition for the period of time remaining unexpired under
4 an exclusion or limitation provision of the previous
5 coverage.

6 (3) This section does not prevent the application of a
7 waiting period applicable to all new members under a policy
8 or contract of disability insurance.

9 (4) This section does not provide continuity of
10 coverage for a late enrollee.

11 **NEW SECTION. Section 3.** Codification instruction.
12 [Sections 1 and 2] are intended to be codified as an
13 integral part of Title 33, chapter 22, part 1, and the
14 provisions of Title 33, chapter 22, part 1, apply to
15 [sections 1 and 2].

-End-

STATE OF MONTANA - FISCAL NOTE

Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for SB0262, as introduced.

DESCRIPTION OF PROPOSED LEGISLATION:

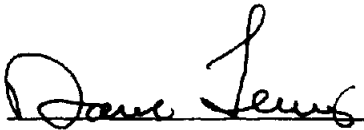
An act to provide continuity of health care coverage for any preexisting condition of an individual previously covered by insurance or another health plan or program.

ASSUMPTIONS:

1. The State Auditor is currently responsible for enforcing revisions and additions.
2. Enforcing duties can be handled with existing resources.
3. The bill does not affect self-insured health plans, such as the state health plan.

FISCAL IMPACT:

None

 2-1-93
DAVE LEWIS, BUDGET DIRECTOR DATE
Office of Budget and Program Planning

 2/3/93
B.F. CHRISTIAENS, PRIMARY SPONSOR DATE

Fiscal Note for SB0262, as introduced

SB 262