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SENATE BILL NO. 290

INTRODUCED BY *Trevit Smith Holden*
Handwritten signature/initials: Harold Emerson Crimmins, Eskata, Keating

A BILL FOR AN ACT ENTITLED: "AN ACT ELIMINATING THE PROHIBITION ON DISCRIMINATION IN INSURANCE BASED ON SEX OR MARITAL STATUS; REQUIRING MATERNITY COVERAGE IN ALL FORMS OF DISABILITY INSURANCE; AMENDING SECTIONS 33-1-502, 33-22-301, 33-22-504, AND 33-30-1001, MCA; REPEALING SECTION 49-2-309, MCA; AND PROVIDING AN EFFECTIVE DATE AND AN APPLICABILITY DATE."

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

Section 1. Section 33-1-502, MCA, is amended to read:

"33-1-502. Grounds for disapproval. The commissioner shall disapprove any form filed under 33-1-501 or withdraw any previous approval thereof of a form only if the form:

- (1) is in any respect in violation of or does not comply with this code;
- (2) contains or incorporates by reference, ~~where such~~ when the incorporation is otherwise permissible, any inconsistent, ambiguous, or misleading clauses or exceptions and conditions ~~which that~~ that deceptively affect the risk purported to be assumed in the general coverage of the contract, including a provision in a casualty insurance form permitting defense costs within limits, except as permitted by the commissioner in ~~his~~ the commissioner's discretion;
- (3) has any title, heading, or other indication of its provisions ~~which that~~ is misleading; or
- (4) is printed or otherwise reproduced in ~~such a manner as to render~~ that renders any provision of the form substantially illegible;
- ~~(5) contains any provision that violates the provisions of 49-2-309."~~

Section 2. Section 33-22-301, MCA, is amended to read:

"33-22-301. Coverage of maternity care and newborn under disability policy. (1) Each policy of disability insurance or certificate issued ~~thereunder shall~~ under the policy must contain a provision granting immediate accident and sickness coverage;

- (a) for maternity care consisting of prenatal and obstetrical care furnished by providers licensed or

1 certified in accordance with the laws of Montana or the state where the services are provided; and

2 (b) from and after the moment of birth, to each newborn infant of any insured.

3 (2) The coverage for newborn infants must be the same as provided by the policy for the other
4 covered persons; ~~provided, however, that~~ However, for newborn infants, there ~~shall~~ may not be ~~no~~ waiting
5 or elimination periods. A deductible or reduction in benefits applicable to the coverage for newborn infants
6 is not permissible unless it conforms and is consistent with the deductible or reduction in benefits applicable
7 to all other covered persons.

8 (3) ~~No~~ A policy or certificate of insurance may not be issued or amended in this state if it contains
9 any disclaimer, waiver, or other limitation of coverage relative to the accident and sickness coverage or
10 insurability of maternity care or of newborn infants of an insured from and after the moment of birth.

11 (4) If payment of a specific premium or subscription fee is required to provide coverage for a child,
12 the policy or contract may require that notification of birth of a newly born child and payment of the
13 required premium or fees must be furnished to the insurer or nonprofit service or indemnity corporation
14 within 31 days after the date of birth in order to have the coverage continue beyond ~~such~~ the 31-day
15 period."

16
17 **Section 3.** Section 33-22-504, MCA, is amended to read:

18 **"33-22-504. Newborn Maternity care and newborn infant coverage.** (1) ~~No~~ A group disability policy
19 or certificate of insurance ~~which~~ that, in addition to covering persons in the insured group, also covers
20 members of ~~such~~ the person's family may not be issued or amended in this state if it contains any
21 disclaimer, waiver, or other limitation of coverage relative to the accident and sickness coverage or
22 insurability of:

23 (a) maternity care consisting of prenatal and obstetrical care furnished by providers licensed or
24 certified in accordance with the laws of Montana or the state where the services are provided; or

25 (b) newborn infants of persons covered under the policy from and after the moment of birth.

26 (2) If the policy or certificate issued ~~thereunder~~, in addition to covering persons in the insured
27 group, also covers members of ~~such~~ the person's family, it ~~shall~~ must contain an additional provision
28 granting immediate accident and sickness coverage for maternity care and, from and after the moment of
29 birth, to each newborn infant of any person covered under the policy.

30 (3) The coverage for newborn infants ~~shall~~ must be the same as provided by the policy for other

1 covered persons; ~~provided, however~~ However, that for newborn infants, there ~~shall~~ may not be ~~no~~ waiting
 2 or elimination periods. A deductible or reduction in benefits applicable to the coverage for newborn infants
 3 is not permissible unless it conforms and is consistent with the deductible or reduction in benefits applicable
 4 to all other covered persons."

5
 6 **Section 4.** Section 33-30-1001, MCA, is amended to read:

7 **"33-30-1001. Newborn Maternity care and newborn infants covered by insurance by health service**
 8 **corporation.** (1) ~~No~~ A disability insurance plan or group disability insurance plan issued by a health service
 9 corporation may not be issued or amended in this state if it contains any disclaimer, waiver, or other
 10 limitation of coverage relative to the accident and sickness coverage or insurability of:

11 (a) maternity care consisting of prenatal and obstetrical care furnished by providers licensed or
 12 certified in accordance with the laws of Montana or the state where the services are provided; or

13 (b) newborn infants of the persons insured from and after the moment of birth. Each ~~such~~ policy
 14 ~~shall~~ must contain a provision granting immediate accident and sickness coverage, from and after the
 15 moment of birth, to each newborn infant of any insured person.

16 (2) If payment of a specific premium or subscription fee is required to provide coverage for a child,
 17 the policy or contract may require that notification of birth of a newly born child and payment of the
 18 required premium or fees must be furnished to the insurer or nonprofit service or indemnity corporation
 19 within 31 days after the date of birth in order to have the coverage continue beyond ~~such~~ the 31-day
 20 period."

21
 22 **NEW SECTION. Section 5. Repealer.** Section 49-2-309, MCA, is repealed.

23
 24 **NEW SECTION. Section 6. Applicability.** [This act] applies to all policies of insurance issued or
 25 renewed on or after [the effective date of this act].

26
 27 **NEW SECTION. Section 7. Effective date.** [This act] is effective July 1, 1995.

28 -END-

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INTRODUCED BY TVEIT, L. SMITH, HOLDEN, MOHL, BAER, HARDING, EMERSON, CRISMORE,
ESTRADA, KEATING

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INSURANCE BASED ON SEX OR MARITAL STATUS; REQUIRING MATERNITY COVERAGE IN ALL FORMS
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permissible, any inconsistent, ambiguous, or misleading clauses or exceptions and conditions ~~which that~~
deceptively affect the risk purported to be assumed in the general coverage of the contract, including a
provision in a casualty insurance form permitting defense costs within limits, except as permitted by the
commissioner in ~~his~~ the commissioner's discretion;

(3) has any title, heading, or other indication of its provisions ~~which that~~ is misleading; or

(4) is printed or otherwise reproduced in ~~such a manner as to render~~ that renders any provision of
the form substantially illegible;

~~(5) contains any provision that violates the provisions of 49-2-309."~~

Section 2. Section 33-22-301, MCA, is amended to read:

**"33-22-301. Coverage of maternity care and newborn under disability policy. (1) EACH
INDIVIDUAL POLICY OF DISABILITY INSURANCE ISSUED OR ISSUED FOR DELIVERY IN THIS STATE
MUST CONTAIN COVERAGE FOR MATERNITY CARE CONSISTING OF PRENATAL AND OBSTETRICAL CARE.**

1 ~~(1)~~ (2) Each INDIVIDUAL policy of disability insurance ~~or certificate issued thereunder shall under~~
2 ~~the policy must~~ contain a provision granting immediate accident and sickness coverage;

3 ~~(a) for maternity care consisting of prenatal and obstetrical care furnished by providers licensed or~~
4 ~~certified in accordance with the laws of Montana or the state where the services are provided; and~~

5 ~~(b)~~ from and after the moment of birth, to each newborn infant of any insured.

6 ~~(2)~~ (3) The coverage for newborn infants must be the same as provided by the policy for the other
7 covered persons; ~~provided, however, that~~ However, for newborn infants, there ~~shall~~ may not be ~~no~~ waiting
8 or elimination periods. A deductible or reduction in benefits applicable to the coverage for newborn infants
9 is not permissible unless it conforms and is consistent with the deductible or reduction in benefits applicable
10 to all other covered persons.

11 ~~(3)~~ (4) ~~No~~ A AN INDIVIDUAL policy ~~or certificate~~ of DISABILITY insurance may not be issued or
12 amended in this state if it contains any disclaimer, waiver, or other limitation of coverage relative to ~~the~~
13 ~~accident and sickness~~ coverage or insurability of ~~maternity care or of~~ newborn infants of an insured from
14 and after the moment of birth.

15 ~~(4)~~ (5) If payment of a specific premium or subscription fee is required to provide coverage for a
16 child, the policy or contract may require that notification of birth of a newly born child and payment of the
17 required premium or fees must be furnished to the insurer or nonprofit service or indemnity corporation
18 within 31 days after the date of birth in order to have the coverage continue beyond ~~such~~ the 31-day
19 period.

20 (6) (A) AS USED IN THIS SECTION, "INDIVIDUAL POLICY OF DISABILITY INSURANCE" MEANS:

21 (I) A HOSPITAL- OR MEDICAL EXPENSE-INCURRED POLICY OR CERTIFICATE;

22 (II) A SUBSCRIBER CONTRACT OR CONTRACT OF INSURANCE PROVIDED BY A HEALTH SERVICE
23 ORGANIZATION; OR

24 (III) A HEALTH MAINTENANCE ORGANIZATION SUBSCRIBER CONTRACT ISSUED OR ISSUED FOR
25 DELIVERY TO AN INDIVIDUAL.

26 (B) THE TERM DOES NOT INCLUDE:

27 (I) ACCIDENT-ONLY INSURANCE;

28 (II) SPECIFIED DISEASE INSURANCE;

29 (III) SHORT-TERM HOSPITAL OR MEDICAL INSURANCE;

30 (IV) HOSPITAL CONFINEMENT INDEMNITY INSURANCE;

- 1 (V) CREDIT INSURANCE;
 2 (VI) DENTAL INSURANCE;
 3 (VII) VISION INSURANCE;
 4 (VIII) MEDICARE SUPPLEMENT INSURANCE;
 5 (IX) LONG-TERM CARE INSURANCE;
 6 (X) DISABILITY INCOME INSURANCE;
 7 (XI) COVERAGE ISSUED AS A SUPPLEMENT TO LIABILITY COVERAGE;
 8 (XII) WORKERS' COMPENSATION OR SIMILAR INSURANCE; OR
 9 (XIII) AUTOMOBILE MEDICAL PAYMENT INSURANCE."

10

11 **Section 3.** Section 33-22-504, MCA, is amended to read:

12 "**33-22-504. Newborn Maternity care and newborn infant coverage.** (1) A GROUP DISABILITY
 13 POLICY OR CERTIFICATE OF INSURANCE ISSUED OR ISSUED FOR DELIVERY IN THIS STATE MUST
 14 CONTAIN COVERAGE FOR MATERNITY CARE CONSISTING OF PRENATAL AND OBSTETRICAL CARE.

15 ~~(1) (2) No~~ A group disability policy or certificate of insurance which that, in addition to covering
 16 persons in the insured group, also covers members of ~~such~~ the person's family may not be issued or
 17 amended in this state if it contains any disclaimer, waiver, or other limitation of coverage relative to the
 18 accident and sickness coverage or insurability of:

19 ~~(a) maternity care consisting of prenatal and obstetrical care furnished by providers licensed or~~
 20 ~~certified in accordance with the laws of Montana or the state where the services are provided; or~~

21 ~~(b)~~ newborn infants of persons covered under the policy from and after the moment of birth.

22 ~~(2) (3)~~ If the policy or certificate issued thereunder, in addition to covering persons in the insured
 23 group, also covers members of ~~such~~ the person's family, it ~~shall~~ must contain an additional provision
 24 granting immediate accident and sickness coverage ~~for maternity care and~~, from and after the moment of
 25 birth, to each newborn infant of any person covered under the policy.

26 ~~(3) (4)~~ The coverage for newborn infants shall must be the same as provided by the policy for other
 27 covered persons; ~~provided, however~~ However, ~~that~~ for newborn infants, there ~~shall~~ may not be ~~no~~ waiting
 28 or elimination periods. A deductible or reduction in benefits applicable to the coverage for newborn infants
 29 is not permissible unless it conforms and is consistent with the deductible or reduction in benefits applicable
 30 to all other covered persons.

1 (5) AS USED IN THIS SECTION, "GROUP DISABILITY POLICY OR CERTIFICATE OF INSURANCE"
 2 MEANS A GROUP HOSPITAL- OR MEDICAL EXPENSE-INCURRED POLICY OR CERTIFICATE. THE TERM
 3 DOES NOT INCLUDE:

- 4 (A) ACCIDENT-ONLY INSURANCE;
- 5 (B) SPECIFIED DISEASE INSURANCE;
- 6 (C) SHORT-TERM HOSPITAL OR MEDICAL INSURANCE;
- 7 (D) HOSPITAL CONFINEMENT INDEMNITY INSURANCE;
- 8 (E) CREDIT INSURANCE;
- 9 (F) DENTAL INSURANCE;
- 10 (G) VISION INSURANCE;
- 11 (H) MEDICARE SUPPLEMENT INSURANCE;
- 12 (I) LONG-TERM CARE INSURANCE;
- 13 (J) DISABILITY INCOME INSURANCE;
- 14 (K) COVERAGE ISSUED AS A SUPPLEMENT TO LIABILITY COVERAGE;
- 15 (L) WORKERS' COMPENSATION OR SIMILAR INSURANCE; OR
- 16 (M) AUTOMOBILE MEDICAL PAYMENT INSURANCE."

17
 18 **Section 4.** Section 33-30-1001, MCA, is amended to read:

19 **"33-30-1001. Newborn Maternity care and newborn infants covered by insurance by health service**
 20 **corporation. (1) A DISABILITY INSURANCE PLAN OR GROUP DISABILITY INSURANCE PLAN ISSUED OR**
 21 **ISSUED FOR DELIVERY IN THIS STATE BY A HEALTH SERVICE CORPORATION MUST CONTAIN**
 22 **COVERAGE FOR MATERNITY CARE CONSISTING OF PRENATAL AND OBSTETRICAL CARE.**

23 ~~(1) (2) No~~ A disability insurance plan or group disability insurance plan issued by a health service
 24 corporation may not be issued or amended in this state if it contains any disclaimer, waiver, or other
 25 limitation of coverage relative to the accident and sickness coverage or insurability of:

26 ~~(a) maternity care consisting of prenatal and obstetrical care furnished by providers licensed or~~
 27 ~~certified in accordance with the laws of Montana or the state where the services are provided; or~~

28 ~~(b)~~ newborn infants of the persons insured from and after the moment of birth. Each ~~such~~ policy
 29 shall must contain a provision granting immediate accident and sickness coverage, from and after the
 30 moment of birth, to each newborn infant of any insured person.

