

SENATE BILL NO. 322

INTRODUCED BY

Tom Bill Wilson

Cecilia Doherty Vraklen

A BILL FOR AN ACT ENTITLED: "AN ACT PROHIBITING THE IMPOSITION OF A WAITING PERIOD FOR A PREEXISTING CONDITION IF THE PERSON HAD PREVIOUS COVERAGE; AND AMENDING SECTION 33-22-110, MCA."

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

**Section 1.** Section 33-22-110, MCA, is amended to read:

**"33-22-110. Preexisting conditions -- exemption.** (1) (a) A policy or certificate of disability insurance may not exclude coverage for a condition for which medical advice or treatment was recommended by or received from a provider of health care services unless the condition occurred within 5 years preceding the effective date of coverage of an insured person. ~~The~~ Except as provided in subsection (1)(b), the condition may only be excluded for a maximum of 12 months.

(b) If a person has had a qualifying previous coverage current to 60 days before applying for new coverage, a waiting period may not be imposed.

(2) An insurer may use an application form designed to elicit the complete health history of an applicant and, on the basis of the answers on that application, perform underwriting in accordance with the insurer's established underwriting standards.

(3) As used in this section, "qualifying previous coverage" means benefits or coverage provided under:

(a) medicare or medicaid;

(b) an employer-based health insurance or health benefit arrangement; or

(c) an individual health insurance policy, including coverage issued by an insurance company, a fraternal benefit society, a health service corporation, or a health maintenance organization, provided that the policy has been in effect for a period of at least 1 year."

-END-

## 1 SENATE BILL NO. 322

2 INTRODUCED BY JACOBSON, DOHERTY, FRANKLIN, TOEWS, WILSON, HARP

3  
4 A BILL FOR AN ACT ENTITLED: "AN ACT PROHIBITING THE IMPOSITION OF A WAITING PERIOD FOR A  
5 PREEXISTING CONDITION IF THE PERSON HAD QUALIFYING PREVIOUS COVERAGE; AND AMENDING  
6 SECTION 33-22-110, MCA; AND PROVIDING AN APPLICABILITY DATE."7  
8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:9  
10 **Section 1.** Section 33-22-110, MCA, is amended to read:11 **"33-22-110. Preexisting conditions -- exemption.** (1) (a) A policy or certificate of disability  
12 insurance may not exclude coverage for a condition for which medical advice or treatment was  
13 recommended by or received from a provider of health care services unless the condition occurred within  
14 5 years preceding the effective date of coverage of an insured person. ~~The~~ Except as provided in subsection  
15 (1)(b), the condition may only be excluded for a maximum of 12 months.16 ~~(b) If a person has had a qualifying previous coverage current to 60 days before applying for new~~  
17 ~~coverage, a waiting period may not be imposed~~ A HEALTH CARE INSURER SHALL WAIVE ANY TIME  
18 PERIOD APPLICABLE TO A PREEXISTING CONDITION EXCLUSION OR LIMITATION PERIOD WITH  
19 RESPECT TO PARTICULAR SERVICES IN A POLICY OR CERTIFICATE OF DISABILITY INSURANCE FOR THE  
20 PERIOD OF TIME THAT AN INDIVIDUAL WAS PREVIOUSLY COVERED BY QUALIFYING PREVIOUS  
21 COVERAGE THAT PROVIDED BENEFITS WITH RESPECT TO THOSE SERVICES IF THE QUALIFYING  
22 PREVIOUS COVERAGE WAS CONTINUOUS TO A DATE NOT MORE THAN 60 DAYS PRIOR TO THE  
23 EFFECTIVE DATE OF THE NEW COVERAGE.24 (2) An insurer may use an application form designed to elicit the complete health history of an  
25 applicant and, on the basis of the answers on that application, perform underwriting in accordance with  
26 the insurer's established underwriting standards.27 (3) As used in this section, "qualifying previous coverage" means benefits or coverage provided  
28 under:29 (a) medicare or medicaid;30 (b) an employer-based health insurance or health benefit arrangement THAT PROVIDES BENEFITS

1 SIMILAR TO OR EXCEEDING BENEFITS PROVIDED UNDER THE POLICY OR CERTIFICATE OF DISABILITY  
2 INSURANCE ISSUED UNDER THIS SECTION; or

3 (c) an individual health insurance policy, including coverage issued by an insurance company, a  
4 fraternal benefit society, a health service corporation, or a health maintenance organization, provided that  
5 the policy has been in effect for a period of at least 1 year."

6  
7 NEW SECTION. SECTION 2. APPLICABILITY. [THIS ACT] APPLIES TO A POLICY OR  
8 CERTIFICATE OF DISABILITY INSURANCE AND HEALTH SERVICE MEMBERSHIP CONTRACT ENTERED  
9 INTO OR RENEWED ON OR AFTER [THE EFFECTIVE DATE OF THIS ACT].

10 -END-

## SENATE BILL NO. 322

INTRODUCED BY JACOBSON, DOHERTY, FRANKLIN, TOEWS, WILSON, HARP

A BILL FOR AN ACT ENTITLED: "AN ACT PROHIBITING THE IMPOSITION OF A WAITING PERIOD FOR A PREEXISTING CONDITION IF THE PERSON HAD QUALIFYING PREVIOUS COVERAGE; ~~AND~~ AMENDING SECTION 33-22-110, MCA; AND PROVIDING AN APPLICABILITY DATE."

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

**Section 1.** Section 33-22-110, MCA, is amended to read:

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~~(b) If a person has had a qualifying previous coverage current to 60 days before applying for new coverage, a waiting period may not be imposed.~~ A HEALTH CARE INSURER SHALL WAIVE ANY TIME PERIOD APPLICABLE TO A PREEXISTING CONDITION EXCLUSION OR LIMITATION PERIOD WITH RESPECT TO PARTICULAR SERVICES IN A POLICY OR CERTIFICATE OF DISABILITY INSURANCE FOR THE PERIOD OF TIME THAT AN INDIVIDUAL WAS PREVIOUSLY COVERED BY QUALIFYING PREVIOUS COVERAGE THAT PROVIDED BENEFITS WITH RESPECT TO THOSE SERVICES IF THE QUALIFYING PREVIOUS COVERAGE WAS CONTINUOUS TO A DATE NOT MORE THAN 60 DAYS PRIOR TO THE EFFECTIVE DATE OF THE NEW COVERAGE.

(2) An insurer may use an application form designed to elicit the complete health history of an applicant and, on the basis of the answers on that application, perform underwriting in accordance with the insurer's established underwriting standards.

(3) As used in this section, "qualifying previous coverage" means benefits or coverage provided under:

(a) medicare or medicaid;

(b) an employer-based health insurance or health benefit arrangement THAT PROVIDES BENEFITS

1 SIMILAR TO OR EXCEEDING BENEFITS PROVIDED UNDER THE POLICY OR CERTIFICATE OF DISABILITY  
2 INSURANCE ISSUED UNDER THIS SECTION; or

3 (c) an individual health insurance policy, including coverage issued by an insurance company, a  
4 fraternal benefit society, a health service corporation, or a health maintenance organization, provided that  
5 the policy has been in effect for a period of at least 1 year."

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7 NEW SECTION. SECTION 2. APPLICABILITY. [THIS ACT] APPLIES TO A POLICY OR  
8 CERTIFICATE OF DISABILITY INSURANCE AND HEALTH SERVICE MEMBERSHIP CONTRACT ENTERED  
9 INTO OR RENEWED ON OR AFTER [THE EFFECTIVE DATE OF THIS ACT].

10 -END-