

1 HOUSE BILL NO. 607

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6 A BILL FOR AN ACT ENTITLED: "AN ACT REVISING HEALTH INSURANCE LAW TO REQUIRE COVERAGE
7 FOR HEARING LOSS FOR ALL AGES; REVISING LAW REQUIRING COVERAGE ONLY FOR CHILDREN;
8 AND AMENDING SECTIONS 2-18-704 AND 33-22-128, MCA."

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

11
12 **Section 1.** Section 2-18-704, MCA, is amended to read:

13 **"2-18-704. Mandatory provisions.** (1) An insurance contract or plan issued under this part must
14 contain provisions that permit:

15 (a) the member of a group who retires from active service under the appropriate retirement
16 provisions of a defined benefit plan provided by law or, in the case of the defined contribution plan provided in
17 Title 19, chapter 3, part 21, a member with at least 5 years of service and who is at least age 50 while in
18 covered employment to remain a member of the group until the member becomes eligible for medicare under
19 the federal Health Insurance for the Aged Act, 42 U.S.C. 1395, unless the member is a participant in another
20 group plan with substantially the same or greater benefits at an equivalent cost or unless the member is
21 employed and, by virtue of that employment, is eligible to participate in another group plan with substantially the
22 same or greater benefits at an equivalent cost;

23 (b) the surviving spouse of a member to remain a member of the group as long as the spouse is
24 eligible for retirement benefits accrued by the deceased member as provided by law unless the spouse is
25 eligible for medicare under the federal Health Insurance for the Aged Act or unless the spouse has or is eligible
26 for equivalent insurance coverage as provided in subsection (1)(a);

27 (c) the surviving children of a member to remain members of the group as long as they are eligible
28 for retirement benefits accrued by the deceased member as provided by law unless they have equivalent

1 coverage as provided in subsection (1)(a) or are eligible for insurance coverage by virtue of the employment of
2 a surviving parent or legal guardian.

3 (2) An insurance contract or plan issued under this part must contain the provisions of subsection
4 (1) for remaining a member of the group and also must permit:

5 (a) the spouse of a retired member the same rights as a surviving spouse under subsection (1)(b);

6 (b) the spouse of a retiring member to convert a group policy as provided in 33-22-508; and

7 (c) continued membership in the group by anyone eligible under the provisions of this section,
8 notwithstanding the person's eligibility for medicare under the federal Health Insurance for the Aged Act.

9 (3) (a) A state insurance contract or plan must contain provisions that permit a legislator to remain
10 a member of the state's group plan until the legislator becomes eligible for medicare under the federal Health
11 Insurance for the Aged Act if the legislator:

12 (i) terminates service in the legislature and is a vested member of a state retirement system
13 provided by law; and

14 (ii) notifies the department of administration in writing within 90 days of the end of the legislator's
15 legislative term.

16 (b) A former legislator may not remain a member of the group plan under the provisions of
17 subsection (3)(a) if the person:

18 (i) is a member of a plan with substantially the same or greater benefits at an equivalent cost; or

19 (ii) is employed and, by virtue of that employment, is eligible to participate in another group plan
20 with substantially the same or greater benefits at an equivalent cost.

21 (c) A legislator who remains a member of the group under the provisions of subsection (3)(a) and
22 subsequently terminates membership may not rejoin the group plan unless the person again serves as a
23 legislator.

24 (4) (a) A state insurance contract or plan must contain provisions that permit continued
25 membership in the state's group plan by a member of the judges' retirement system who leaves judicial office
26 but continues to be an inactive vested member of the judges' retirement system as provided by 19-5-301. The
27 judge shall notify the department of administration in writing within 90 days of the end of the judge's judicial
28 service of the judge's choice to continue membership in the group plan.

(b) A former judge may not remain a member of the group plan under the provisions of this subsection (4) if the person:

- (i) is a member of a plan with substantially the same or greater benefits at an equivalent cost;
- (ii) 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; or
- (iii) becomes eligible for medicare under the federal Health Insurance for the Aged Act.

(c) A judge who remains a member of the group under the provisions of this subsection (4) and subsequently terminates membership may not rejoin the group plan unless the person again serves in a position covered by the state's group plan.

(5) A person electing to remain a member of the group under subsection (1), (2), (3), or (4) shall pay the full premium for coverage and for that of the person's covered dependents.

(6) An insurance contract or plan issued under this part that provides for the dispensing of prescription drugs by an out-of-state mail service pharmacy, as defined in 37-7-702:

(a) must permit any member of a group to obtain prescription drugs from a pharmacy located in Montana that is willing to match the price charged to the group or plan and to meet all terms and conditions, including the same professional requirements that are met by the mail service pharmacy for a drug, without financial penalty to the member; and

(b) may only be with an out-of-state mail service pharmacy that is registered with the board under Title 37, chapter 7, part 7, and that is registered in this state as a foreign corporation.

(7) An insurance contract or plan issued under this part must include coverage for:

- (a) treatment of inborn errors of metabolism, as provided for in 33-22-131;
- (b) therapies for Down syndrome, as provided in 33-22-139;
- (c) treatment for ~~children with~~ hearing loss as provided in 33-22-128(1) and (2);
- (d) fertility preservation services as required under 33-22-2103;
- (e) the care and treatment of mental illness in accordance with the provisions of Title 33, chapter 22, part 7;
- (f) telehealth services, as provided for in 33-22-138; and
- (g) refills of prescription eyedrops as provided in 33-22-154.

1 (8) (a) An insurance contract or plan issued under this part that provides coverage for an individual
2 in a member's family must provide coverage for well-child care for children from the moment of birth through 7
3 years of age. Benefits provided under this coverage are exempt from any deductible provision that may be in
4 force in the contract or plan.

5 (b) Coverage for well-child care under subsection (8)(a) must include:

6 (i) a history, physical examination, developmental assessment, anticipatory guidance, and
7 laboratory tests, according to the schedule of visits adopted under the early and periodic screening, diagnosis,
8 and treatment services program provided for in 53-6-101; and

9 (ii) routine immunizations according to the schedule for immunization recommended by the
10 advisory committee on immunization practices of the U.S. department of health and human services.

11 (c) Minimum benefits may be limited to one visit payable to one provider for all of the services
12 provided at each visit as provided for in this subsection (8).

13 (d) For purposes of this subsection (8):

14 (i) "developmental assessment" and "anticipatory guidance" mean the services described in the
15 Guidelines for Health Supervision II, published by the American academy of pediatrics; and

16 (ii) "well-child care" means the services described in subsection (8)(b) and delivered by a
17 physician or a health care professional supervised by a physician.

18 (9) Upon renewal, an insurance contract or plan issued under this part under which coverage of a
19 dependent terminates at a specified age must continue to provide coverage for any dependent, as defined in
20 the insurance contract or plan, until the dependent reaches 26 years of age. For insurance contracts or plans
21 issued under this part, the premium charged for the additional coverage of a dependent, as defined in the
22 insurance contract or plan, may be required to be paid by the insured and not by the employer.

23 (10) Prior to issuance of an insurance contract or plan under this part, written informational
24 materials describing the contract's or plan's cancer screening coverages must be provided to a prospective
25 group or plan member.

26 (11) The state employee group benefit plans and the Montana university system group benefits
27 plans must provide coverage for hospital inpatient care for a period of time as is determined by the attending
28 physician and, in the case of a health maintenance organization, the primary care physician, in consultation

1 with the patient to be medically necessary following a mastectomy, a lumpectomy, or a lymph node dissection
2 for the treatment of breast cancer.

3 (12) (a) (i) The state employee group benefit plans and the Montana university system group
4 benefits plans must provide coverage for medically necessary and prescribed outpatient self-management
5 training and education for the treatment of diabetes. Any education must be provided by a licensed health care
6 professional with expertise in diabetes. At a minimum, the benefit must consist of:

7 (A) 20 visits of training and education in diabetes self-management provided in either an individual
8 or group setting if the person has not received the training and education previously; and

9 (B) 12 visits of followup diabetes self-management training and education services in subsequent
10 years for an insured who has previously received and exhausted the initial 20 visits of education.

11 (ii) For the purposes of this subsection (12)(a), the term "visit" refers to a period of 30 minutes.

12 (b) The state employee group benefit plans and the Montana university system group benefits
13 plans must provide coverage for diabetic equipment and supplies that at a minimum includes insulin, syringes,
14 injection aids, devices for self-monitoring of glucose levels (including those for the visually impaired), test strips,
15 visual reading and urine test strips, one insulin pump for each warranty period, accessories to insulin pumps,
16 one prescriptive oral agent for controlling blood sugar levels for each class of drug approved by the United
17 States food and drug administration, and glucagon emergency kits.

18 (c) Nothing in subsection (12)(a) or (12)(b) prohibits the state or the Montana university group
19 benefit plans from providing a greater benefit or an alternative benefit of substantially equal value, in which
20 case subsection (12)(a) or (12)(b), as appropriate, does not apply.

21 (d) Annual copayment and deductible provisions are subject to the same terms and conditions
22 applicable to all other covered benefits within a given policy.

23 (e) This subsection (12) does not apply to disability income, hospital indemnity, medicare
24 supplement, accident-only, vision, dental, specific disease, or long-term care policies offered by the state or the
25 Montana university system as benefits to employees, retirees, and their dependents.

26 (13) (a) Except as provided in subsection (16), the state employee group benefit plans and the
27 Montana university system group benefits plans that provide coverage to the spouse or dependents of a peace
28 officer as defined in 45-2-101, a game warden as defined in 19-8-101, a firefighter as defined in 19-13-104, or a

1 volunteer firefighter as defined in 19-17-102 shall renew the coverage of the spouse or dependents if the peace
2 officer, game warden, firefighter, or volunteer firefighter dies within the course and scope of employment.

3 Except as provided in subsection (13)(b), the continuation of the coverage is at the option of the spouse or
4 dependents. Renewals of coverage under this section must provide for the same level of benefits as is
5 available to other members of the group. Premiums charged to a spouse or dependent under this section must
6 be the same as premiums charged to other similarly situated members of the group. Dependent special
7 enrollment must be allowed under the terms of the insurance contract or plan. The provisions of this subsection
8 (13)(a) are applicable to a spouse or dependent who is insured under a COBRA continuation provision.

9 (b) The state employee group benefit plans and the Montana university system group benefits
10 plans subject to the provisions of subsection (13)(a) may discontinue or not renew the coverage of a spouse or
11 dependent only if:

12 (i) the spouse or dependent has failed to pay premiums or contributions in accordance with the
13 terms of the state employee group benefit plans and the Montana university system group benefits plans or if
14 the plans have not received timely premium payments;

15 (ii) the spouse or dependent has performed an act or practice that constitutes fraud or has made
16 an intentional misrepresentation of a material fact under the terms of the coverage; or

17 (iii) the state employee group benefit plans and the Montana university system group benefits
18 plans are ceasing to offer coverage in accordance with applicable state law.

19 (14) The state employee group benefit plans and the Montana university system group benefits
20 plans must comply with the provisions of 33-22-153.

21 (15) An insurance contract or plan issued under this part and a group benefits plan issued by the
22 Montana university system must provide mental health coverage that meets the provisions of Title 33, chapter
23 22, part 7.

24 (16) The employing state agency of a law enforcement officer as defined in 2-15-2040 who is
25 covered under the state employee group benefit plan shall:

26 (a) if the officer is catastrophically injured in the line of duty as defined in 2-15-2040, enroll the
27 officer and the officer's covered spouse or dependent children in COBRA continuation coverage when that
28 officer is terminated from employment as a result of the catastrophic injury. The officer and the officer's spouse

1 or dependent children may opt out of COBRA continuation coverage within 60 days of enrollment.

2 (b) enroll the officer's covered spouse or dependent children in COBRA continuation coverage if
3 the officer dies in the line of duty as defined in 2-15-2040. The officer's spouse or dependent children may opt
4 out of COBRA coverage within 60 days of the date of enrollment.

5 (c) pay the COBRA premium for 4 months of COBRA continuation coverage for the officer and the
6 officer's covered spouse or dependent children enrolled in COBRA continuation coverage pursuant to
7 subsections (16)(a) or (16)(b), after which time the officer and the officer's spouse or dependent children shall
8 pay the COBRA premium. (See compiler's comments for contingent termination of certain text.)"

9
10 **Section 2.** Section 33-22-128, MCA, is amended to read:

11 **"33-22-128. Coverage for ~~children with hearing loss~~ -- definitions.** (1) Health insurance coverage
12 sold in the group or individual market in this state must provide coverage for diagnosis and treatment of hearing
13 loss for a covered ~~child 18 years of age or younger~~ person in accordance with subsection (2).

14 (2) (a) Except as provided in subsection (2)(b), coverage under this section, in addition to
15 diagnosis, must include treatment that is:

16 (i) a medical necessity; and
17 (ii) prescribed, provided, or ordered by a licensed health care provider to treat hearing loss of the
18 covered ~~child~~ person.

19 (b) Treatment may not include more than one hearing device with required accessories or
20 amplification device with required accessories for each ear every 3 years or as required by an audiologist
21 licensed under Title 37, chapter 15.

22 (3) Benefits provided under this section may not be construed as limiting physical health benefits
23 that are otherwise available to the covered ~~child~~ person.

24 (4) (a) Coverage under this section may be subject to deductibles, coinsurance, and copayment
25 provisions and utilization review as provided in Title 33, chapter 32.

26 (b) Special deductible, coinsurance, copayment, or other limitations that are not generally
27 applicable to other medical care covered under the plan may not be imposed on the coverage under this
28 section.

(5) This section also applies to the state employee group insurance program, the university system employee group insurance program, any employee group insurance program of a city, town, school district, or other political subdivision of this state, and any self-funded multiple employer welfare arrangement that is not regulated by the Employee Retirement Income Security Act of 1974, 29 U.S.C. 1001, et seq.

(6) This section does not apply to disability income, hospital indemnity, medicare supplement, accident-only, vision, dental, specific disease, or long-term care policies.

(7) As used in this section, the following definitions apply:

(a) "Amplification device" means a hearing device, hearing aid, or wearable, nondisposable, nonexperimental instrument or device designed to aid or compensate for impaired human hearing and any parts, attachments, or accessories for the instrument or device, including an ear mold but excluding batteries and cords.

(b) "Generally accepted standards of medical practice" means standards that are based on credible scientific evidence published in peer-reviewed medical literature generally recognized by the relevant medical community, physician specialty society recommendations, the view of physicians practicing in relevant clinical areas, and any other relevant factors.

(c) "Health care provider" means an individual licensed under Title 37, chapter 3, 15, or 20. A nurse practitioner licensed under Title 37, chapter 8, also is a health care provider for the purposes of this section.

(d) "Hearing loss" means a disruption in the normal hearing process that may occur in the outer, middle, or inner ear, whereby sound waves are not converted to electrical signals and nerve impulses are not transmitted to the brain to be interpreted.

(e) "Medical necessity" means health care services that a physician, exercising prudent clinical judgment, would provide to a patient for the purpose of preventing, evaluating, diagnosing, or treating an illness, injury, disease, or its symptoms, and that are:

(i) in accordance with generally accepted standards of medical practice;

(ii) clinically appropriate, in terms of type, frequency, extent, site, and duration, and considered effective for the patient's illness, injury, or disease;

(iii) not primarily for the convenience of the patient, physician, or other health care provider; and

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