

## LEGISLATIVE BILL 6

Approved by the Governor February 3, 2003

Introduced by Executive Board: Engel, 17, Chairperson

AN ACT relating to insurance; to amend sections 44-5237.01, 44-5242, 44-6904, and 44-6908, Reissue Revised Statutes of Nebraska, and section 44-4206.02, Revised Statutes Supplement, 2002; to correct references to federal law; and to repeal the original sections.

Be it enacted by the people of the State of Nebraska,

Section 1. Section 44-4206.02, Revised Statutes Supplement, 2002, is amended to read:

44-4206.02. (1) Creditable coverage means, with respect to an individual, coverage of the individual under any of the following:

- (a) A group health plan;
- (b) Health insurance coverage;
- (c) Medicare;

(d) Title XIX of the Social Security Act, 42 U.S.C. 1396 et seq., other than coverage consisting solely of benefits under section 1928 of the act, 42 U.S.C. 1396s;

(e) 10 U.S.C. ~~5501 et seq.~~ chapter 55, as such chapter existed on January 1, 2003;

(f) A medical care program of the Indian Health Service or of a tribal organization;

(g) A state health benefits risk pool;

(h) A health plan offered under 5 U.S.C. 8901 et seq.;

(i) A public health plan as defined under regulations promulgated by the federal Secretary of Health and Human Services; and

(j) A health benefit plan under 22 U.S.C. 2504.

(2) Creditable coverage does not include any coverage that occurs before a significant break in coverage. For purposes of this section, a significant break in coverage means any period of sixty-three consecutive days during all of which the individual does not have any creditable coverage, except that neither a waiting period nor an affiliation period shall be taken into account in determining a significant break in coverage.

(3) Creditable coverage does not include coverage consisting solely of coverage of excepted benefits as that term is defined in the federal Health Insurance Portability and Accountability Act of 1996, 29 U.S.C. 1191b, and regulations adopted pursuant to the act and in effect on April 19, 1998.

Sec. 2. Section 44-5237.01, Reissue Revised Statutes of Nebraska, is amended to read:

44-5237.01. (1) Creditable coverage shall mean, with respect to an individual, coverage of the individual under any of the following:

- (a) A group health plan;
- (b) Health insurance coverage;
- (c) Part A or Part B of Title XVIII of the Social Security Act;
- (d) Title XIX of the Social Security Act, 42 U.S.C. 1396 et seq.,

other than coverage consisting solely of benefits under section 1928 of the act, 42 U.S.C. 1396s;

(e) 10 U.S.C. ~~5501 et seq.~~ chapter 55, as such chapter existed on January 1, 2003;

(f) A medical care program of the Indian Health Service or of a tribal organization;

(g) A state health benefits risk pool;

(h) A health plan offered under 5 U.S.C. 8901 et seq.;

(i) A public health plan as defined under regulations promulgated by the federal Secretary of Health and Human Services; and

(j) A health benefit plan under 22 U.S.C. 2504.

(2) Creditable coverage shall not include any coverage that occurs before a significant break in coverage. For purposes of this section, a significant break in coverage shall mean any period of sixty-three consecutive days during all of which the individual does not have any creditable coverage, except that neither a waiting period nor an affiliation period shall be taken into account in determining a significant break in coverage.

(3) Creditable coverage shall not include coverage consisting solely of coverage of excepted benefits as that term is defined in the federal Health Insurance Portability and Accountability Act of 1996, 29 U.S.C. 1191b, and regulations adopted pursuant to the act and in effect on April 19, 1998.

Sec. 3. Section 44-5242, Reissue Revised Statutes of Nebraska, is

amended to read:

44-5242. (1) Health benefit plan shall mean any hospital or medical policy or certificate, major medical expense insurance, or health maintenance organization subscriber contract.

(2) Health benefit plan shall not include one or more, or any combination, of the following:

(a) Coverage only for accident or disability income insurance, or any combination thereof;

(b) Coverage issued as a supplement to liability insurance;

(c) Liability insurance, including general liability insurance and automobile liability insurance;

(d) Workers' compensation or similar insurance;

(e) Automobile medical payment insurance;

(f) Credit-only insurance;

(g) Coverage for onsite medical clinics; and

(h) Other similar insurance coverage, specified in federal regulations, under which benefits for medical care are secondary or incidental to other insurance benefits.

(3) Health benefit plan shall not include the following benefits if they are provided under a separate policy, certificate, or contract of insurance or are otherwise not an integral part of the plan:

(a) Limited-scope dental or vision benefits;

(b) Benefits for long-term care, nursing home care, home health care, community-based care, or any combination thereof; and

(c) Such other similar, limited benefits as are specified in federal regulations.

(4) Health benefit plan shall not include the following benefits if the benefits are provided under a separate policy, certificate, or contract of insurance, there is no coordination between the provision of the benefits and any exclusion of benefits under any group health benefit plan maintained by the same plan sponsor, and such benefits are paid with respect to an event without regard to whether benefits are provided with respect to such an event under any group health plan maintained by the same plan sponsor:

(a) Coverage only for a specified disease or illness; and

(b) Hospital indemnity or other fixed indemnity insurance.

(5) Health benefit plan shall not include the following if it is offered as a separate policy, certificate, or contract of insurance:

(a) Medicare supplemental health insurance as defined under section 1882(g)(1) of the Social Security Act;

(b) Coverage supplemental to the coverage provided under 10 U.S.C. ~~5501 et seq.~~ chapter 55, as such chapter existed on January 1, 2003; and

(c) Similar supplemental coverage provided to coverage under a group health plan.

Sec. 4. Section 44-6904, Reissue Revised Statutes of Nebraska, is amended to read:

44-6904. (1) Creditable coverage means, with respect to an individual, coverage of the individual under any of the following:

(a) A group health plan;

(b) Health insurance coverage;

(c) Part A or Part B of Title XVIII of the Social Security Act;

(d) Title XIX of the Social Security Act, 42 U.S.C. 1396 et seq., other than coverage consisting solely of benefits under section 1928 of the act, 42 U.S.C. 1396s;

(e) 10 U.S.C. ~~5501 et seq.~~ chapter 55, as such chapter existed on January 1, 2003;

(f) A medical care program of the Indian Health Service or of a tribal organization;

(g) A state health benefits risk pool;

(h) A health plan offered under 5 U.S.C. 8901 et seq.;

(i) A public health plan as defined under regulations promulgated by the federal Secretary of Health and Human Services; and

(j) A health benefit plan under 22 U.S.C. 2504.

(2) Creditable coverage shall not include any coverage that occurs before a significant break in coverage. For purposes of this section, a significant break in coverage shall mean any period of sixty-three consecutive days during all of which the individual does not have any creditable coverage, except that neither a waiting period nor an affiliation period shall be taken into account in determining a significant break in coverage.

(3) Creditable coverage shall not include coverage consisting solely of coverage of excepted benefits as that term is defined in the federal Health Insurance Portability and Accountability Act of 1996, 29 U.S.C. 1191b, and regulations adopted pursuant to the act and in effect on April 19, 1998.

Sec. 5. Section 44-6908, Reissue Revised Statutes of Nebraska, is amended to read:

44-6908. (1) Health benefit plan means any employer group hospital or medical policy or certificate or employer group health maintenance organization subscriber contract.

(2) Health benefit plan does not include one or more, or any combination, of the following:

(a) Coverage only for accident or disability income insurance, or any combination thereof;

(b) Coverage issued as a supplement to liability insurance;

(c) Liability insurance, including general liability insurance and automobile liability insurance;

(d) Workers' compensation or similar insurance;

(e) Automobile medical payment insurance;

(f) Credit-only insurance;

(g) Coverage for onsite medical clinics; and

(h) Other similar insurance coverage, specified in federal regulations, under which benefits for medical care are secondary or incidental to other insurance benefits.

(3) Health benefit plan does not include the following benefits if they are provided under a separate policy, certificate, or contract of insurance or are otherwise not an integral part of the plan:

(a) Limited-scope dental or vision benefits;

(b) Benefits for long-term care, nursing home care, home health care, community-based care, or any combination thereof; and

(c) Such other similar, limited benefits as are specified in federal regulations.

(4) Health benefit plan does not include the following benefits if the benefits are provided under a separate policy, certificate, or contract of insurance, there is no coordination between the provision of the benefits and any exclusion of benefits under any group health benefit plan maintained by the same plan sponsor, and such benefits are paid with respect to an event without regard to whether benefits are provided with respect to such an event under any group health plan maintained by the same plan sponsor:

(a) Coverage only for a specified disease or illness; and

(b) Hospital indemnity or other fixed indemnity insurance.

(5) Health benefit plan does not include the following if it is offered as a separate policy, certificate, or contract of insurance:

(a) Medicare supplemental health insurance as defined under section 1882(g)(1) of the Social Security Act;

(b) Coverage supplemental to the coverage provided under 10 U.S.C. ~~5501 et seq.~~ chapter 55, as such chapter existed on January 1, 2003; and

(c) Similar supplemental coverage provided to coverage under a group health plan.

Sec. 6. Original sections 44-5237.01, 44-5242, 44-6904, and 44-6908, Reissue Revised Statutes of Nebraska, and section 44-4206.02, Revised Statutes Supplement, 2002, are repealed.