

LEGISLATURE OF NEBRASKA
NINETY-EIGHTH LEGISLATURE
FIRST SESSION
LEGISLATIVE BILL 6

Introduced by Executive Board: Engel, 17, Chairperson

Read first time January 9, 2003

Committee: Placed on General File

A BILL

1 FOR AN ACT relating to insurance; to amend sections 44-5237.01,
2 44-6904, and 44-6908, Reissue Revised Statutes of
3 Nebraska, and section 44-4206.02, Revised Statutes
4 Supplement, 2002; to correct references to federal law;
5 and to repeal the original sections.
6 Be it enacted by the people of the State of Nebraska,

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

3 44-4206.02. (1) Creditable coverage means, with respect
4 to an individual, coverage of the individual under any of the
5 following:

6 (a) A group health plan;

7 (b) Health insurance coverage;

8 (c) Medicare;

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

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

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

16 (g) A state health benefits risk pool;

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

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

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

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

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

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

8 44-5237.01. (1) Creditable coverage shall mean, with
9 respect to an individual, coverage of the individual under any of
10 the following:

11 (a) A group health plan;

12 (b) Health insurance coverage;

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

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

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

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

22 (g) A state health benefits risk pool;

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

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

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

28 (2) Creditable coverage shall not include any coverage

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

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

12 Sec. 3. Section 44-6904, Reissue Revised Statutes of
13 Nebraska, is amended to read:

14 44-6904. (1) Creditable coverage means, with respect to
15 an individual, coverage of the individual under any of the
16 following:

17 (a) A group health plan;

18 (b) Health insurance coverage;

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

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

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

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

28 (g) A state health benefits risk pool;

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

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

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

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

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

18 Sec. 4. Section 44-6908, Reissue Revised Statutes of
19 Nebraska, is amended to read:

20 44-6908. (1) Health benefit plan means any employer
21 group hospital or medical policy or certificate or employer group
22 health maintenance organization subscriber contract.

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

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

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

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

3 (d) Workers' compensation or similar insurance;

4 (e) Automobile medical payment insurance;

5 (f) Credit-only insurance;

6 (g) Coverage for onsite medical clinics; and

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

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

14 (a) Limited-scope dental or vision benefits;

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

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

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

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

1 (b) Hospital indemnity or other fixed indemnity
2 insurance.

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

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

8 (b) Coverage supplemental to the coverage provided under
9 10 U.S.C. ~~5501 et seq.~~ chapter 55, as such chapter existed on
10 January 1, 2003; and

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

13 Sec. 5. Original sections 44-5237.01, 44-6904, and
14 44-6908, Reissue Revised Statutes of Nebraska, and section
15 44-4206.02, Revised Statutes Supplement, 2002, are repealed.