

LEGISLATURE OF NEBRASKA

ONE HUNDRED FIRST LEGISLATURE

FIRST SESSION

**LEGISLATIVE BILL 445**

Introduced by Fulton, 29.

Read first time January 20, 2009

Committee: Banking, Commerce and Insurance

A BILL

1 FOR AN ACT relating to the Health Insurance Access Act; to amend  
2 sections 44-5302, 44-5303, 44-5306, and 44-5307, Reissue  
3 Revised Statutes of Nebraska, and section 44-5305,  
4 Revised Statutes Cumulative Supplement, 2008; to change  
5 provisions relating to legislative intent, defined terms,  
6 and policy or contract eligibility and requirements; and  
7 to repeal the original sections.

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

1           Section 1. Section 44-5302, Reissue Revised Statutes of  
2 Nebraska, is amended to read:

3           44-5302 The Legislature finds and declares that there is  
4 ~~an increasing~~ a significant number of Nebraskans who lack health  
5 insurance and that these uninsured people include many individuals  
6 and families who cannot afford the rising cost of medical care but  
7 do not qualify for the various income-based assistance programs.  
8 The lack of financial means of uninsured people and families to  
9 pay for their medical care leaves health care providers with  
10 uncollectible debts which are transferred to other patients and  
11 to insurers. It is the purpose and intent of the Legislature to  
12 provide a mechanism to allow insurers to provide basic levels  
13 of health insurance to those people who are uninsured, ~~are below~~  
14 ~~certain income levels,~~ and are not qualified for income-based  
15 assistance programs.

16           Sec. 2. Section 44-5303, Reissue Revised Statutes of  
17 Nebraska, is amended to read:

18           44-5303 For purposes of the Health Insurance Access Act:

19           (1) Insurer shall mean any insurance company as defined  
20 in section 44-103 authorized to transact health insurance business  
21 in the State of Nebraska or a health maintenance organization which  
22 has obtained a valid certificate of authority;

23           (2) Medicare shall mean parts A, B, C, and D ~~and B~~ of  
24 Title XVIII of the Social Security Act, 42 U.S.C. 1395 et seq., as  
25 amended;

1           (3) Provider shall mean any physician or hospital who is  
2 licensed or authorized in this state to furnish medical care or  
3 hospitalization to any individual;

4           (4) Spell of illness shall mean a continuous period as  
5 a hospital inpatient or successive periods as a hospital inpatient  
6 when the date of discharge and the following date of admission are  
7 less than sixty consecutive days apart; and

8           (5) Uninsured access coverage shall mean a policy of  
9 sickness and accident insurance or a contract for health care  
10 services covering individuals, with or without their dependents,  
11 issued by an insurer subject to the limitations and requirements in  
12 the act.

13           Sec. 3. Section 44-5305, Revised Statutes Cumulative  
14 Supplement, 2008, is amended to read:

15           44-5305 (1) An uninsured access coverage policy or  
16 contract shall limit eligibility to individuals or families+~~(a)~~  
17 ~~Whose gross income does not exceed one hundred eighty-five percent~~  
18 ~~of income standards prescribed by the federal Office of Management~~  
19 ~~and Budget income poverty guidelines in effect on February 1, 1991,~~  
20 ~~or as may be later amended; and~~(b) ~~Who~~ who are not eligible for  
21 medicare or any other medical assistance program, including, but  
22 not limited to, the program established pursuant to the Medical  
23 Assistance Act.

24           ~~(2) Every uninsured access coverage policy or contract~~  
25 ~~shall specify the time period, not exceeding six months, for which~~

1 any applicant is required to demonstrate eligibility based upon the  
 2 income standards of such policy or contract, and every such policy  
 3 or contract shall specify what constitutes sufficient verification  
 4 of income at the time of application and annual renewals.

5 (2) The ~~(3)~~ If an individual's or a family's income  
 6 exceeds the income eligibility standards of the uninsured access  
 7 coverage policy or contract and such individual or family is  
 8 thereby no longer eligible for continued coverage, the uninsured  
 9 access coverage policy or contract shall allow a transfer to a  
 10 designated type of individual policy or contract without evidence  
 11 of insurability and without interruption in coverage subject to  
 12 payment of premiums. Each uninsured access coverage policy or  
 13 contract shall specify the type of individual policy or contract to  
 14 which an insured person may transfer.

15 Sec. 4. Section 44-5306, Reissue Revised Statutes of  
 16 Nebraska, is amended to read:

17 44-5306 (1) An individual or a family member shall not  
 18 be eligible for initial or continued coverage under an uninsured  
 19 access coverage policy or contract if he or she:

20 (a) Is eligible as an employee or dependent for group  
 21 insurance coverage sponsored or maintained by an employer; or

22 (b) Is covered by any other type of hospital,  
 23 surgical, or medical expense-incurred policy or health maintenance  
 24 organization contract. + ~~or~~

25 ~~(c) Exceeds the income eligibility standards of the~~

1 ~~uninsured access coverage policy or contract at any time or at any~~  
2 ~~annual renewal.~~

3 (2) An uninsured access coverage policy or contract may  
4 require evidence of insurability but shall not use underwriting  
5 guidelines that are more strict than those normally used by the  
6 insurer for its regular individual health insurance contracts.

7 Sec. 5. Section 44-5307, Reissue Revised Statutes of  
8 Nebraska, is amended to read:

9 44-5307 (1) ~~Every~~ An uninsured access coverage policy or  
10 contract ~~shall~~ may include hospital-only and surgical-only benefits  
11 which shall mean:

12 (a) Inhospital benefits for not less than thirty  
13 continuous days nor more than ninety continuous days for each spell  
14 of illness; and

15 (b) Surgical benefits for both inpatient and outpatient  
16 surgery.

17 (2) An uninsured access coverage policy or contract may  
18 include prescription drug benefit coverage.

19 (3) An uninsured access coverage policy or contract  
20 may include preventative health care coverage, including, but not  
21 limited to, primary care physician visits, immunizations for adults  
22 and children, laboratory and x-ray procedures, and preventative  
23 cancer screenings such as mammograms, cervical cancer screenings,  
24 and noninvasive colorectal or prostate screenings.

25 ~~(2)~~ (4) An uninsured access coverage policy or contract

1 may not:

2 (a) Use a definition of spell of illness more restrictive  
3 than the definition found in section 44-5303; or

4 (b) Use a definition of preexisting condition more  
5 restrictive than the definition normally used by the insurer  
6 for its regular individual health insurance contracts.

7 ~~(3)~~ (5) Every uninsured access coverage policy or  
8 contract shall provide that the benefit payment shall be accepted  
9 as payment in full by the provider and there shall be no deductible  
10 or coinsurance charged to the insured.

11 Sec. 6. Original sections 44-5302, 44-5303, 44-5306, and  
12 44-5307, Reissue Revised Statutes of Nebraska, and section 44-5305,  
13 Revised Statutes Cumulative Supplement, 2008, are repealed.