

HOUSE No. 973

The Commonwealth of Massachusetts

In the Year Two Thousand Nine

An Act relative to promoting supplemental insurance coverage..

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1. Section 1 of chapter 111M of the General Laws, as appearing in the 2006
2 Official Edition, amended by section 12 of chapter 205 of the acts of 2007, is hereby amended by
3 striking out the definition of “Creditable coverage”, and inserting in place thereof the following
4 definition:—

5 “Creditable coverage”, coverage of an individual under any of the following health plans
6 or as a named beneficiary receiving coverage on another's plan with no lapse of coverage for
7 more than 63 days: (a) an individual or group health plan which meets the definition of
8 “minimum creditable coverage” as established by the board of the connector; (b) a health plan
9 including, but not limited to, a health plan issued, renewed or delivered within or without the
10 commonwealth to an individual who is enrolled in a qualifying student health insurance program
11 under section 18 of chapter 15A or a qualifying student health program of another state; (c) Part
12 A or Part B of Title XVIII of the Social Security Act; (d) Title XXI or XIX of the Social Security
13 Act, other than coverage consisting solely of benefits under section 1928 or section 1903 (v) of
14 said Title XIX; (e) 10 U.S.C. 55; (f) a medical care program of the Indian Health Service or of a

15 tribal organization; (g) a state health benefits risk pool; (h) a health plan offered under 5 U.S.C.
16 89; (i) a public health plan as defined in federal regulations authorized by the Public Health
17 Service Act, section 2701(c)(1)(I), as amended by Public Law 104–191; (j) a health benefit plan
18 under the Peace Corps Act, 22 U.S.C. 2504(e); (k) coverage for young adults under section 10 of
19 chapter 176J; and (l) any other qualifying coverage required by the Health Insurance Portability
20 and Accountability Act of 1996, as amended, or by regulations promulgated under that act;
21 provided, however, that the following shall not qualify as creditable coverage: a plan issued as a
22 supplemental health insurance policy including, but not limited to, accident only, credit only, or
23 limited scope vision or dental benefits if offered separately; hospital indemnity policies which
24 provide a benefit to be paid to an insured or a dependent, including the spouse of an insured, on
25 the basis of hospitalization of the insured or a dependent and which are sold as a supplement and
26 not as a substitute for a health benefit plan and which meet any requirement that the
27 commissioner by regulation may set; disability income insurance; coverage issued as a
28 supplement to liability insurance; specified disease insurance that is purchased as a supplement
29 and not as a substitute for a health plan and that meets any requirements the commissioner may
30 set by regulation; insurance arising out of a workers' compensation law or similar law;
31 automobile medical payment insurance; insurance under which benefits are payable with or
32 without regard to fault and which is statutorily required to be contained in a liability insurance
33 policy or equivalent self insurance; long–term care if offered separately; coverage supplemental
34 to the coverage provided under 10 U.S.C. 55 if offered as a separate insurance policy; or any
35 policy subject to chapter 176K or any similar policies issued on a group basis, including
36 Medicare Prescription drug plans.

37 SECTION 2. Section 108 of chapter 175 of the General Laws, as appearing in the 2006
38 Official Edition, is hereby amended by striking out in line 27 the words “which provide stand-
39 alone dental services” and inserting in place thereof the following words:- that do not qualify as
40 creditable coverage as defined in section 1 of chapter 111M.

41 SECTION 3. Section 110 of said chapter 175 is hereby amended by striking out, in line
42 362 and in lines 374 and 375, as so appearing, the words “which provide stand-alone dental
43 services” and inserting in place thereof, in each instance, the following words:- that do not
44 qualify as creditable coverage as defined in section 1 of chapter 111M.

45 SECTION 4. The definition of “Health benefit plan” in section 1 of chapter 176J of the
46 General Laws, is hereby amended by striking out the second sentence and inserting in place
47 thereof the following sentence:— Health benefit plans shall not include: accident only, credit
48 only, limited scope vision or dental benefits if offered separately; hospital indemnity policies
49 which provide a benefit to be paid to an insured or a dependent, including the spouse of an
50 insured, on the basis of hospitalization of the insured or a dependent and which are sold as a
51 supplement and not as a substitute for a health benefit plan and which meets any requirement that
52 the commissioner by regulation may set; disability income insurance; coverage issued as a
53 supplement to liability insurance; specified disease insurance that is purchased as a supplement
54 and not as a substitute for a health plan and that meets any requirements the commissioner may
55 set by regulation; insurance arising out of a workers' compensation law or similar law;
56 automobile medical payment insurance; insurance under which benefits are payable with or
57 without regard to fault and which is statutorily required to be contained in a liability insurance
58 policy or equivalent self insurance; long-term care if offered separately; coverage supplemental
59 to the coverage provided under 10 U.S.C. 55 if offered as a separate insurance policy; or any

60 policy subject to chapter 176K or any similar policies issued on a group basis, Medicare
61 Advantage plans or Medicare Prescription drug plans.

62 SECTION 5. The definition of “Carrier” as appearing in section 1 of chapter 176O of the
63 General Laws, is hereby amended by striking out the second sentence and inserting in place
64 thereof the following sentence:— Unless otherwise noted, the term “carrier” shall not include
65 any entity to the extent it offers a policy, certificate or contract that does not qualify as creditable
66 coverage as defined in section 1 of chapter 111M.

67 SECTION 6. The definition of “Health benefit plan”, as appearing in section 1 of chapter
68 176Q of the General Laws, is hereby amended by striking out the second sentence and inserting
69 in place thereof the following sentence:— The words “health benefit plan” shall not include
70 accident only, credit-only, limited scope vision or dental benefits if offered separately; hospital
71 indemnity policies which provide a benefit to be paid to an insured or a dependent, including the
72 spouse of an insured, on the basis of hospitalization of the insured or a dependent which are sold
73 as a supplement and not as a substitute for a health benefit plan and which meet any requirement
74 that the commissioner by regulation may set; disability income insurance: coverage issued as a
75 supplement to liability insurance: specified disease insurance that is purchased as a supplement
76 and not as a substitute for a health plan and that meets any requirements the commissioner may
77 set by regulation; insurance arising out of a workers' compensation law or similar law;
78 automobile medical payment insurance; insurance under which benefits are payable with or
79 without regard to fault and which is statutorily required to be contained in a liability insurance
80 policy or equivalent self insurance; long-term care if offered separately; coverage supplemental
81 to the coverage provided under 10 U.S.C. section 55 if offered as a separate insurance policy; or

- 82 any policy subject to chapter 176K or any similar policies issued on a group basis, Medicare
- 83 Advantage plans or Medicare Prescription drug plans.