

HOUSE No. 3730

The Commonwealth of Massachusetts

HOUSE OF REPRESENTATIVES, November 4, 2013.

The committee on Health Care Financing to whom was referred the Bill hospital indemnity insurance policies (House, No. 867), reports recommending that the same ought to pass with an amendment substituting therefore a bill with the same title (House, No. 3730) [Cost: \$0].

For the committee,

STEVEN M. WALSH.

HOUSE No. 3730

The Commonwealth of Massachusetts

In the Year Two Thousand Thirteen

An Act hospital indemnity insurance policies.

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 2012 Official
2 Edition, is hereby amended by striking out, in lines 27-34, the words “hospital indemnity
3 insurance policies if offered as independent, non-coordinated benefits which, for the purposes of
4 this chapter, shall mean policies issued under chapter 175 which provide a benefit not to exceed
5 \$500 per day, as adjusted on an annual basis by the amount of increase in the average weekly
6 wages in the commonwealth as defined in section 1 of chapter 152, to be paid to an insured or a
7 dependent, including the spouse of an insured, on the basis of a hospitalization of the insured or a
8 dependent” and inserting in place thereof the following:—hospital indemnity insurance policies
9 which provide a benefit to be paid to an insured or a dependent, including the spouse of an
10 insured, on the basis of hospitalization of the insured or a dependent and which are sold as a
11 supplement and not as a substitute for a health benefit plan and which meet any requirement that
12 the commissioner by regulation may set

13 SECTION 2. Section 108 of chapter 175 of the General Laws, as so appearing, is
14 hereby amended by striking out, in line 27, the words “which provide stand-alone dental
15 services” and inserting in place thereof the following:—that do not qualify as creditable coverage
16 as defined in section 1 of chapter 111M

17 SECTION 3. Said section 108 of chapter 175 is hereby further amended in subsection
18 13 by inserting, in line 641, after the word “sickness” the following:—that offers creditable
19 coverage

SECTION 4. Section 108L of chapter 175 of the General Laws, as so appearing, is hereby amended by inserting, in line 3, after the words “blanket policy of insurance” the following:—that offers creditable coverage

SECTION 5. Section 110 of chapter 175 of the General Laws, as so appearing, is hereby amended by striking out, in line 397 and in lines 409 and 410, the words “which provide stand-alone dental services” and inserting in place thereof, in each instance, the following:—that do not qualify as creditable coverage as defined in section 1 of chapter 111M

SECTION 6. Section 1 of chapter 176J of the General Laws, as so appearing, is hereby amended by striking out, in lines 179-186, the words “hospital indemnity insurance policies if offered as independent, non-coordinated benefits which, for the purposes of this chapter, shall mean policies issued under chapter 175 which provide a benefit not to exceed \$500 per day, as adjusted on an annual basis by the amount of increase in the average weekly wages in the commonwealth as defined in section 1 of chapter 152, to be paid to an insured or a dependent, including the spouse of an insured, on the basis of a hospitalization of the insured or a dependent” and inserting in place thereof the following: — hospital indemnity insurance policies which provide a benefit to be paid to an insured or a dependent, including the spouse of an insured, on the basis of hospitalization of the insured or a dependent and which are sold as a supplement and not as a substitute for a health benefit plan and which meet any requirement that the commissioner by regulation may set

SECTION 7. Section 1 of chapter 176O of the General Laws, as so appearing, is hereby amended by striking out, in lines 34-37, the words “Unless otherwise noted, the term “carrier” shall not include any entity to the extent it offers a policy, certificate or contract that provides coverage solely for dental care services or visions care services.” and inserting in place thereof the following:—Unless otherwise noted, the term “carrier” shall not include any entity to the extent it offers a policy, certificate or contract that does not qualify as creditable coverage as defined in section 1 of chapter 111M.

SECTION 8. Subsection (b) (1) of section 21 of chapter 176O of the General Laws, as so appearing, is hereby amended by striking out, in lines 72-74 the words “include an entity that offers a policy, certificate or contract that provides coverage solely for dental care services or visions care services.” and inserting in place thereof the following :—not include any entity to

51 the extent it offers a policy, certificate or contract that does not qualify as creditable coverage as
52 defined in section 1 of chapter 111M.

53 SECTION 9. Section 1 of chapter 176Q of the General Laws, as so appearing, is hereby
54 amended by striking out, in lines 71-78 the words “hospital indemnity insurance policies if
55 offered as independent, non-coordinated benefits which, for the purposes of this chapter, shall
56 mean policies issued under chapter 175 which provide a benefit not to exceed \$500 per day, as
57 adjusted on an annual basis by the amount of increase in the average weekly wages in the
58 commonwealth as defined in section 1 of chapter 152, to be paid to an insured or a dependent,
59 including the spouse of an insured, on the basis of a hospitalization of the insured or a
60 dependent” and inserting in place thereof the following: —hospital indemnity insurance policies
61 which provide a benefit to be paid to an insured or a dependent, including the spouse of an
62 insured, on the basis of hospitalization of the insured or a dependent and which are sold as a
63 supplement and not as a substitute for a health benefit plan and which meet any requirement that
64 the commissioner by regulation may set