

HOUSE BILL NO. 609

INTRODUCED BY HAMILTON, RASER, CORDIER, O'HARA, ARNTZEN

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A BILL FOR AN ACT ENTITLED: "AN ACT REQUIRING A SCHOOL DISTRICT TO USE SELF-INSURED HEALTH BENEFIT OR GROUP HEALTH BENEFIT PLAN RESERVE FUNDS TO PAY EMPLOYEE CLAIMS AND LIABILITIES OR TO PAY EMPLOYEE BENEFIT COSTS IF A DISTRICT'S SELF-INSURED HEALTH BENEFIT PLAN IS DISSOLVED OR ALTERED; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE AND AN APPLICABILITY DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

**NEW SECTION. Section 1. District self-funded health benefit or group health benefit plan reserve funds -- exception for dissolution or alternation of plan.** (1) Except as provided in subsection (2), the trustees of a school district with a self-insured health benefit plan or employee group health benefit plan holding rate stabilization or other local health benefit reserve funds shall use these funds to pay claims and other liabilities of the district's health benefit plan.

(2) Upon dissolution or alteration of a district's SELF-INSURED health benefit plan, all remaining reserves must be maintained by the district under the provisions of 20-3-331 and must be used to pay for employee benefit costs as determined by a collective bargaining agreement or an employer policy or as required by applicable state or federal law.

**NEW SECTION. Section 2. Codification instruction.** [Section 1] is intended to be codified as an integral part of Title 20, chapter 3, part 3, and the provisions of Title 20, chapter 3, part 3, apply to [section 1].

**NEW SECTION. Section 3. Effective date -- applicability.** [This act] is effective on passage and approval and applies to health benefit claims filed or SELF-INSURED health plans dissolved or altered on or after [the effective date of this act].

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