MONTANA SENATE
2007 LEGISLATURE

# ROLL CALL

## BUSINESS, LABOR AND ECONOMIC AFFAIRS

DATE 1-30-07

| NAMES | PRESENT | ABSENT | EXCUSED |
|---|---|---|---|
| SEN. JOE BALYEAT (R) | ✓ | | |
| SEN. ROY BROWN (R) | ✓ | | |
| SEN. JOHN ESP (R) | ✓ | | |
| SEN. VERDELL JACKSON (R) | ✓ | | |
| SEN. LANE LARSON (D) | ✓ | | |
| SEN. DON RYAN (D) | ✓ | | |
| SEN. FRANK SMITH (D) | ✓ | | |
| SEN. CAROLYN SQUIRES (R) | ✓ | | |
| SEN. DONALD STEINBEISSER (R) | ✓ | | |
| SEN. JOE TROPILA (D) | ✓ | | |
| SEN. VICKI COCCHIARELLA (D) CHAIRWOMAN | ✓ | | |
| | | | |
| PAT MURDO (LSD) | ✓ | | |
| CLAUDIA JOHNSON, SECRETARY | ✓ | | |
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## SENATE STANDING COMMITTEE REPORT



Mr. President:

We, your committee on **Business, Labor, and Economic Affairs** recommend that **Senate Bill 296** (first reading copy -- white) **do pass as amended.**

Signed: Vicki Cocchiarella
*Senator Vicki Cocchiarella, Chair*

**And, that such amendments read:**

1. Title, line 7.
**Strike:** "IMMEDIATE"

2. Page 2, line 22.
**Following:** "(b)"
**Insert:** "(i)"

3. Page 2.
**Following:** line 24
**Insert:** "(ii) A person, including an individual, with an ownership interest in an existing on-premises retail license that is being transferred to a new purchaser may not attain an ownership interest in a license applied for under this section for a period of 1 year from the date that the existing on-premises retail license is transferred to a new purchaser."

4. Page 6, line 11.
**Strike:** "on passage and approval"
**Insert:** "July 1, 2007"

- END -

**Committee Vote:**
**Yes 11, No 0**
Fiscal Note Required __ KY

## SENATE STANDING COMMITTEE REPORT



Mr. President:

We, your committee on **Business, Labor, and Economic Affairs** recommend that **Senate Bill 108** (first reading copy -- white) **do pass as amended.**

Signed: _____
*Senator Vicki Cocchiarella, Chair*

**And, that such amendments read:**

1. Title, line 11.
**Following:** "DRUGS;"
**Insert:** "PROVIDING FOR UTILIZATION AND TREATMENT GUIDELINES TO BE ESTABLISHED BY RULE;"

2. Title, line 19.
**Following:** ";"
**Strike:** "AND"
**Following:** the second "MCA"
**Insert:** "; AND PROVIDING AN EFFECTIVE DATE"

3. Page 11, line 23.
**Following:** "schedule."
**Insert:** "Until the department adopts a fee schedule applicable to medical services provided by a hospital, insurers shall pay at the rate payable on June 30, 2007, for those services provided by the hospital. The rate must be adjusted by the annual percentage increase in the state's average weekly wage, as defined in 39-71-116, factoring in changes in the hospital's medical service charges."

4. Page 11.
**Following:** line 23
**Insert:** "(3) (a) The department may establish by rule evidence-based utilization and treatment guidelines for primary and secondary medical services. There is a rebuttable presumption that the utilization and treatment guidelines

**Committee Vote:**
**Yes 11, No 0**
Fiscal Note Required ___ KJ

established by the department are correct medical treatment for the injured worker.

(b) An insurer is not responsible for treatment or services that do not fall within the utilization and treatment guidelines adopted by the department unless the provider obtains prior authorization from the insurer.

(c) The department may establish by rule an independent medical review process for treatment or services denied by an insurer pursuant to this subsection (3) prior to mediation under 39-71-2401."

**Renumber:** subsequent subsections

5. Page 12.
**Following:** line 14
**Insert:** "(5) For a medical assistance facility or a critical access hospital licensed pursuant to Title 50, chapter 5, the rate for services is the usual and customary charge. Fees paid to a licensed medical assistance facility or critical access hospital are not subject to the limitation provided in subsection (6)."
**Renumber:** subsequent subsections

6. Page 12, line 24.
**Strike:** "(7)"
**Insert:** "(9)"

7. Page 12, line 30.
**Strike:** "(7)(a)"
**Insert:** "(9)(a)"

8. Page 14, lines 18 through 20.
**Following:** "exceed the" on line 18
**Strike:** "prevailing" on line 18 through "the" on line 20
**Insert:** "hourly mean wage by area for home health aides, as published by the department in the most recent edition of the Montana Informational Wage Rates by Occupation and adopted annually by the department prior to January 1. The"
**Following:** "day" on line 20
**Insert:** "at the rate in effect at the time that the services are rendered"

9. Page 16, line 15.
**Following:** "."
**Insert:** "Pursuant to 33-28-205, a captive reciprocal insurer may not be a member of an insurance guaranty association or guaranty fund."

10. Page 18, line 17.

**Following:** "(1)"
**Strike:** "A"
**Insert:** "Except as provided in subsection (7), a"

11. Page 19.
**Following:** "line 20"
**Insert:** "(7) A captive reciprocal insurer specified in 39-71-2201 is not subject to this section."

12. Page 19.
**Following:** line 25
**Insert:** "NEW SECTION. **Section 18. Effective date.** [This act] is effective July 1, 2007."

- END -

## SENATE STANDING COMMITTEE REPORT



Mr. President:

We, your committee on **Business, Labor, and Economic Affairs** recommend that **Senate Bill 161** (first reading copy -- white) **do pass as amended.**

Signed: _____
*Senator Vicki Cocchiarella, Chair*

**And, that such amendments read:**

1. Title, line 11.
**Following:** "FOR"
**Insert:** "CAPTIVE"

2. Page 2.
**Following:** line 21
**Insert:** "(10) "Captive risk retention group" means a captive insurance risk retention group formed under the laws of this chapter and pursuant to Title 33, chapter 11."
**Renumber:** subsequent subsections

3. Page 2, line 28.
**Following:** "existing"
**Insert:** ", controlling"

4. Page 3, line 20.
**Following:** "is a"
**Insert:** "captive"

5. Page 4, line 21 through line 22.
**Strike:** subsection (26) in its entirety
**Renumber:** subsequent subsections

6. Page 6, line 24 through line 25.
**Following:** "process"

**Committee Vote:**
**Yes 10, No 1**
Fiscal Note Required ___ NY

**Strike:** "and" on line 24 through "state" on line 25

7. Page 12, line 5.
**Following:** "captive"
**Strike:** "insurance company formed as a"

8. Page 13, line 11.
**Following:** "excluding"
**Insert:** "captive"

9. Page 13, line 29.
**Strike:** "Risk"
**Insert:** "Captive risk"

10. Page 13, line 30.
**Following:** "a"
**Insert:** "captive"

11. Page 15, line 2.
**Strike:** "Risk"
**Insert:** "Captive risk"

12. Page 17, line 1.
**Following:** "a"
**Insert:** "captive"

13. Page 17, line 22.
**Following:** "redomestications,"
**Insert:** "captive"

- END -

**SENATE STANDING COMMITTEE REPORT**

— ADVERSE —

**January 30, 2007**


Mr. President:

We, your committee on **Business, Labor, and Economic Affairs** recommend that **Senate Bill 250** (first reading copy -- white) **do not pass**.

Signed: Vicki Cocchiarella
*Senator Vicki Cocchiarella, Chair*

- END -

**Committee Vote:**
**Yes 6, No 5**
Fiscal Note Required ___ KJ

## COMMITTEE FILE COPY

# TABLED BILL

The **SENATE BUSINESS, LABOR, AND ECONOMIC AFFAIRS COMMITTEE** TABLED **SB 151**, by motion, on **Wednesday, January 31, 2007**.

(For the Committee)

(Secretary of the Senate)

_____ / 1-31
(Time) (Date)

January 31, 2007 Cj Johnson, Secretary Phone: 44-4762

# MONTANA STATE SENATE
# 2007 LEGISLATURE

## BUSINESS, LABOR AND ECONOMIC AFFAIRS

## ROLL CALL VOTE

DATE 1-30-07 BILL NO. SB 151 NUMBER _____

MOTION: Sen Ryan Moved DP - Failed 4-7
Sen Esp reverse Motion to Table 7-4

| NAME | AYE | NO |
|---|---|---|
| SEN. JOE BALYEAT (R) | | ✓ |
| SEN. ROY BROWN (R) | | ✓ |
| SEN. JOHN ESP (R) | | ✓ |
| SEN. VERDELL JACKSON (R) | | ✓ |
| SEN. LANE LARSON (D) | ✓ | |
| SEN. DON RYAN (D) | ✓ | |
| SEN. FRANK SMITH (D) | | ✓ |
| SEN. CAROLYN SQUIRES (D) | ✓ | |
| SEN. DONALD STEINBEISSER (R) | | ✓ |
| SEN. JOE TROPILA (D) | ✓ | |
| SEN. VICKI COCCHIARELLA (D) - CHAIRWOMAN | | ✓ |
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# MONTANA STATE SENATE
# 2007 LEGISLATURE

## BUSINESS, LABOR AND ECONOMIC AFFAIRS

## ROLL CALL VOTE

DATE 1-30-07 BILL NO. SB 250 NUMBER 3-8

MOTION: Substitute Motion to TABLE

Failed

| NAME | AYE | NO |
|---|---|---|
| SEN. JOE BALYEAT (R) | | ✓ |
| SEN. ROY BROWN (R) | ✓ | |
| SEN. JOHN ESP (R) | ✓ | |
| SEN. VERDELL JACKSON (R) | | ✓ |
| SEN. LANE LARSON (D) | | ✓ |
| SEN. DON RYAN (D) | | ✓ |
| SEN. FRANK SMITH (D) | | ✓ |
| SEN. CAROLYN SQUIRES (D) | | ✓ |
| SEN. DONALD STEINBEISSER (R) | ✓ | |
| SEN. JOE TROPILA (D) | | ✓ |
| SEN. VICKI COCCHIARELLA (D) - CHAIRWOMAN | | ✓ |
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## MONTANA STATE SENATE
## 2007 LEGISLATURE

## BUSINESS, LABOR AND ECONOMIC AFFAIRS

## ROLL CALL VOTE

DATE 1-30-07 BILL NO SB250 NUMBER 6-5

MOTION: Do Not Pass

PASSED

| NAME | AYE | NO |
|---|---|---|
| SEN. JOE BALYEAT (R) | | ✓ |
| SEN. ROY BROWN (R) | | ✓ |
| SEN. JOHN ESP (R) | | ✓ |
| SEN. VERDELL JACKSON (R) | | ✓ |
| SEN. LANE LARSON (D) | ✓ | |
| SEN. DON RYAN (D) | ✓ | |
| SEN. FRANK SMITH (D) | ✓ | |
| SEN. CAROLYN SQUIRES (D) p | ✓ | |
| SEN. DONALD STEINBEISSER (R) | | ✓ |
| SEN. JOE TROPILA (D) | ✓ | |
| SEN. VICKI COCCHIARELLA (D) - CHAIRWOMAN | ✓ | |
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# SENATE PROXY FORM

According to Senate Rule 30-70 ( 13) ( f) , a committee member may vote by proxy using a standard form.

## PROXY VOTE

I, the undersigned, hereby authorize Senator Tropila

to vote my proxy on any issue before the Senate Business + Industry + Labor Committee

held on 1/30, 2007.

SB 151 aye - failed
SB 250 table - NO
SB 250 do not pass - aye

Carolyn Squires
SENATOR
STATE OF MONTANA

SB - 161 D.P. - aye

# SENATE PROXY FORM

According to Senate Rule 30-70 ( 13) ( f) , a committee member may vote by proxy using a standard form.

PROXY VOTE

I, the undersigned, hereby authorize Senator Verdell Jackson

to vote my proxy on any issue before the Senate Committee - Business, Labor + Economic affairs Committee

held on 1/30/, 2007.

SB108
Amend - SB 10804 - yes (unanimous)

[signature]
SENATOR
STATE OF MONTANA

**MONTANA STATE SENATE**
**2007 LEGISLATURE**

# VISITOR REGISTER

## BUSINESS, LABOR AND ECONOMIC AFFAIRS

**DATE** 1-30-07

**BILLS BEING HEARD TODAY** SB296, 319

**PLEASE PRINT**

| NAME | PHONE | REPRESENTING | BILL # | SUPPORT | OPPOSE |
|---|---|---|---|---|---|
| JASON WOOD | 444-0711 | Dept of Revenue | 296 | | |
| WALTER NICHERSON | 250-2371 | POLO GRILL | 296 | | ✓ |
| MARK STARKES | 459-6178 | MTA | 296 | ✓ | |
| Bob Miller | 682-4619 | MTA | 296 | ✓ | |
| JUPE COMPTON | 265-6230 | MTA | 296 | ✓ | |
| Cole Boehler | 782-3660 | MT | 296 | ✓ | |
| Carl Schweitzer | 431/0178 | Bozeman Kal Chamber | 296 | ✓ | |
| Greg Lind | 544-0551 | Senate Dist 50 | 296 | ✓ | |
| Brad Griffith | 555-3554 | MT Restaurant Assn | 296 | ✓ | |
| Stuart Doggett | | MT Innkeepers Assn | 296 | ✓ | |
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**PLEASE LEAVE PREPARED STATEMENT WITH COMMITTEE SECRETARY**

BLUECROSS BLUESHIELD OF MONTANA
AN INDEPENDENT LICENSEE OF THE BLUE CROSS AND BLUE SHIELD ASSOCIATION

EXHIBIT
DATE 1-30-07
SB 161

Missoulian
E4
Sunday, March 20, 2005

# Opinion

MISSOULIAN EDITORIAL

# Mandated coverage helps drive up prices

**SUMMARY:** Legislative debate over birth control helps illustrate our lack of cost control.

Health insurance premiums for the average family will cost more than $14,500 next year, up $5,000 in just three years, according to the National Coalition on Health Care. Rising cost makes health insurance unaffordable for too many people and a burdensome expense even for those who can afford it.

A lot of factors contribute to these rising costs. One seldom-considered factor is on display over at the Montana Legislature. Lawmakers are considering a proposal to require all insurance companies that provide any prescription coverage to include coverage for all forms of birth control.

Our concern isn't whether insurers cover contraception. Many already do, and we certainly have no complaint about those that do.

But mandated coverage of things like contraceptive drugs and devices highlights what's gone wrong with insurance in general. Insurance is a mechanism for hedging risks. The idea is to pool risk and resources with others to cover extraordinary expenses. At least, that used to be the idea – you pay the routine costs and rely on insurance to cover the major expenses. However, people have increasingly demanded wall-to-wall health care coverage – policies that not only include things like contraceptives, but also things like Viagra, alcohol detox, gastric bypass, chiropractic treatment.

Indeed, insurance has morphed from a hedging mechanism into a system for paying for all health care. So, of course health care insurance costs more. It includes more.

Insurance doesn't pay for anybody's health care costs. The people who buy insurance are the ones who pay. Insurance premiums directly reflect the cost of benefits plus profit for the insurance company. Passing a law requiring additional benefits passes the cost of those benefits directly to insurance customers.

Insurance is a fine way to share risk, but it's a terribly inefficient way to pay for moderate, routine expenses.

Contraceptive drugs and devices aren't free, but they're scarcely a ruinous expense. The only way buying them with insurance premiums makes sense to you is if you can shift part of your cost to other insurance customers who don't buy contraceptives. That makes insurance a form of cost-shifting, not financial protection.

Yet you aren't the only one shifting costs. Others lobby to expand coverage to include routine treatment or drugs they want, so some of their costs get shifted to you. The overall effect is to make health care insurance more expensive for everyone.

The free market supposedly will sort all of this out. At the point you can't afford insurance premiums or your employer decides he can't, more narrowly focused insurance coverage undoubtedly seems more appealing. The sellers of insurance and the buyers of insurance could be trusted to figure all of this out.

Except, in comes the Legislature or Congress, passing laws telling the customers what they must buy and the sellers what they must sell.

And we all wind up paying higher insurance prices – if we're lucky. Legislators who mandate benefits claim that they are giving us a gift. Just remember that it is a gift that they are paying for with our money and a gift we have to buy if we want it or not.

BUSINESS, LABOR & ECONOMIC AFFAIRS
EXHIBIT No.
DATE 1-30-07
BILL No. SB161

Amendments to Senate Bill No. 161
1st Reading Copy

For the Senate Business, Labor, and Economic Affairs Committee

Prepared by Pat Murdo
January 29, 2007 (8:08am)

1. Page 2, line 28.
**Following:** "existing"
**Insert:** ", controlling"

2. Page 6, line 24 through line 25.
**Following:** "process"
**Strike:** "and" on line 24 through "state" on line 25

- END -