

## HOUSE BILL NO. 310

INTRODUCED BY D. ROBERTS

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A BILL FOR AN ACT ENTITLED: "AN ACT REVISING LAWS RELATING TO HEALTH CARE PROFESSIONAL REVIEW COMMITTEES; DEFINING "MEDICAL PRACTICE GROUP"; PROVIDING FOR CONFIDENTIALITY OF MEDICAL PRACTICE GROUP QUALITY ASSURANCE INFORMATION; ESTABLISHING GUIDELINES FOR MEDICAL PRACTICE GROUP QUALITY ASSURANCE REVIEWS; AND AMENDING SECTIONS 50-16-201, 50-16-202, 50-16-203, 50-16-204, AND 50-16-205, MCA."

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

**Section 1.** Section 50-16-201, MCA, is amended to read:

**"50-16-201. Definitions.** As used in this part, the following definitions apply:

(1) (a) "Data" means written reports, notes, or records or oral reports or proceedings created by or at the request of a utilization review, peer review, medical ethics review, quality assurance, or quality improvement committee of a health care facility or medical practice group that are used exclusively in connection with quality assessment or improvement activities, including the professional training, supervision, or discipline of a medical practitioner by a health care facility or medical practice group.

(b) The term does not include:

(i) incident reports or occurrence reports; or

(ii) health care information that is used in whole or in part to make decisions about an individual who is the subject of the health care information.

(2) "Health care facility" has the meaning provided in 50-5-101.

(3) (a) "Incident reports" or "occurrence reports" means a written business record of a health care facility or medical practice group, created in response to an untoward event, such as a patient injury, adverse outcome, or interventional error, for the purpose of ensuring a prompt evaluation of the event.

(b) The terms do not include any subsequent evaluation of the event in response to an incident report or occurrence report by a utilization review, peer review, medical ethics review, quality assurance, or quality improvement committee.

(4) "Medical practice group" means a group of two or more medical practitioners practicing medicine

1 together in a professional corporation, professional limited liability company, or partnership.

2 (4)(5) "Medical practitioner" means an individual licensed by the state of Montana to engage in the  
3 practice of medicine, osteopathy, podiatry, optometry, or a nursing specialty described in 37-8-202 or licensed  
4 as a physician assistant pursuant to 37-20-203."

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6 **Section 2.** Section 50-16-202, MCA, is amended to read:

7 **"50-16-202. Committees to have access to information.** It is in the interest of public health and patient  
8 medical care that health care facility and medical practice group committees have access to the records and other  
9 health care information relating to the condition and treatment of patients in the health care facility or of the  
10 medical practice group to study and evaluate for the purpose of evaluating matters relating to the care and  
11 treatment of patients for research purposes and for the purpose of reducing morbidity or mortality and obtaining  
12 statistics and information relating to the prevention and treatment of diseases, illnesses, and injuries. To carry  
13 out these purposes, any health care facility or medical practice group and its agents and employees may provide  
14 medical records or other health care information relating to the condition and treatment of any patient in the health  
15 care facility or of the medical practice group to any utilization review, peer review, medical ethics review, quality  
16 assurance, or quality improvement committee of the health care facility or medical practice group."

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18 **Section 3.** Section 50-16-203, MCA, is amended to read:

19 **"50-16-203. Committee health care information and proceedings confidential and privileged.** All  
20 records and health care information referred to in 50-16-202 are confidential and privileged to the committee and  
21 the members of the committee as though the health care facility patients or medical practice group patients were  
22 the patients of the members of the committee. All proceedings, records, and reports of committees are  
23 confidential and privileged."

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25 **Section 4.** Section 50-16-204, MCA, is amended to read:

26 **"50-16-204. Restrictions on use or publication of information.** A utilization review, peer review,  
27 medical ethics review, quality assurance, or quality improvement committee of a health care facility or medical  
28 practice group may use or publish health care information only for the purpose of evaluating matters of medical  
29 care, therapy, and treatment for research and statistical purposes. ~~Neither a~~ A committee ~~nor~~ or the members,  
30 agents, or employees of a committee ~~shall~~ may not disclose the name or identity of any patient whose records

1 have been studied in any report or publication of findings and conclusions of a committee, ~~but a~~ A committee and  
 2 its members, agents, or employees shall protect the identity of any patient whose condition or treatment has been  
 3 studied and may not disclose or reveal the name of any health care facility patient or medical practice group  
 4 patient."

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6 **Section 5.** Section 50-16-205, MCA, is amended to read:

7 **"50-16-205. Data confidential -- inadmissible in judicial proceedings.** All data is confidential and is  
 8 not discoverable or admissible in evidence in any judicial proceeding. Data of a medical practice group is also  
 9 not discoverable or admissible as evidence in any hospital medical staff credentialing proceeding or in a licensee  
 10 disciplinary proceeding under Title 37, chapter 3. However, this section does not affect the discoverability or  
 11 admissibility in evidence of health care information that is not data as defined in 50-16-201."

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13 **NEW SECTION. Section 6. Medical practice group quality assurance guidelines -- reviews --**  
 14 **contracts.** (1) Reviews conducted by a medical practice group under this part must comply with the following  
 15 guidelines:

16 (a) A random review is a review of at least 10 randomly selected patient charts, which must be reviewed  
 17 by a quality assurance committee of the medical practice group. The committee may gather data from any source  
 18 for purposes of the review. The committee shall submit an evaluation report to the medical practice group  
 19 outlining the review findings and recommending changes if changes are determined necessary.

20 (b) A focused review is intended for specific clinical and quality improvement purposes, such as:

21 (i) reviewing patient medical records relating to a certain disease or procedural category for purposes  
 22 of comparing documented treatment to available and current standards of medical care;

23 (ii) assessing the efficacy and efficiency of an office procedure or process related to clinical care; or

24 (iii) reviewing office and clinical practices prompted by an analysis and results of incident reports.

25 (c) An incident review performed by a medical practice group quality assurance committee is for purposes  
 26 of gathering data, investigating, conducting analysis, coordinating all responses, and recommending and initiating  
 27 corrective action, as necessary, connected with a specific incident involving the delivery of medical care to a  
 28 patient of the medical practice group.

29 (2) Reviews conducted by a medical practice group under this part must be based on appropriateness,  
 30 medical necessity, adequacy of documentation, and efficiency of services. The physician being reviewed must

1 be immediately advised of the findings of the committee to further the educational process for the physician. The  
2 medical practice group is responsible for documenting any corrective action that is taken and any policies,  
3 procedures, or clinical processes that are changed, who is responsible for implementing the changes, and how  
4 the medical practice group will ensure that the changes are made.

5 (3) All data relating to quality assurance committee activities under this part must be maintained in a  
6 confidential location separate from patient medical records.

7 (4) A medical practice group may and a group of five or fewer medical providers shall contract with a  
8 group or organization composed of persons licensed to practice a health care profession or with a nonprofit  
9 corporation engaged in performing the functions of a peer review committee, medical ethics review committee,  
10 or professional standards review committee for purposes of conducting any review allowed under this part.

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12 **NEW SECTION. Section 7. Codification instruction.** [Section 6] is intended to be codified as an  
13 integral part of Title 50, chapter 16, part 2, and the provisions of Title 50, chapter 16, part 2, apply to [section 6].

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