

BUSINESS REPORT

**MONTANA SENATE
61st LEGISLATURE - REGULAR SESSION**

FREE CONFERENCE COMMITTEE HB 676

Date: Monday, April 27, 2009

Time: 10:00 am

Place: Capitol

Room: 317-A

BILLS and RESOLUTIONS HEARD:

Prefix (HB, HR, HJR, SB, SR, or SJR) and number. Add Postponed (PP) when appropriate:

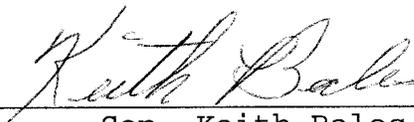
None

EXECUTIVE ACTION TAKEN:

Prefix (HB, HR, HJR, SB, SR, or SJR) and number. Enter P(pass) F(failed) DPAA (do pass as amended) BC(be concurred in) BCAA (be concurred in as amended):

HB 676 BCAA

COMMENTS:



Sen. Keith Bales, Chairman

Montana State Senate Roll Call

FREE CONFERENCE COMMITTEE

Date 4-27-09

HB/SB # 676

<u>NAME</u>	<u>PRESENT</u>	<u>ABSENT/EXCUSED</u>
Sen. Bales	/	
Sen. Lewis	/	
Sen. Schmidt	/	
Rep. Seno	/	
Rep. Hiner	/	
Rep. Hawk	/	
Rep. Jones	/	



FREE CONFERENCE COMMITTEE
on House Bill 676
Report No. 001, April 27, 2009

Mr. President and Mr. Speaker:

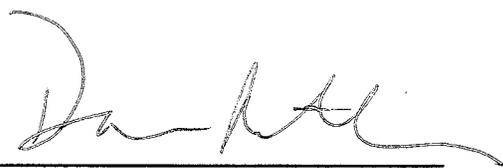
We, your Free Conference Committee met and considered **House Bill 676** (reference copy -- salmon) and recommend this Free Conference Committee report be adopted.

For the Senate:


 Sen. Keith Bales Chair


 Sen. Dave Lewis


 Sen. Trudi Schmidt

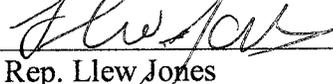

 Amendment Coordinator

For the House:


 Rep. Jon Sesso Vice Chair


 Rep. Cynthia Hiner


 Rep. Ray Hawk


 Rep. Llew Jones

And, recommend that **House Bill 676** (reference copy -- salmon) be amended as follows:

1. Title, page 1, line 11 through line 15.
Following: "ALTERNATIVES;" on line 11
Strike: remainder of line 11 through "ALL;" on line 15
2. Title, page 1, lines 16 and 17.
Strike: "MODIFYING" on line 16 through "ACCOUNT;" on line 17
Strike: "A 1 PERCENT"

ADOPT
REJECT

Amendment # HB 676-001

Insert: "AN"

3. Title, page 1, line 22 through line 23.

Following: "PLAN;" on line 22

Strike: remainder of line 22 through "CONTRACEPTION;" on line 23

Insert: "REQUIRING NOTICE TO ENROLLEES OF RESTRICTIONS ON ACCESS TO HEALTH CARE PROVIDERS; PROVIDING THAT CONTRACTS TO IMPLEMENT THE CHILDREN'S HEALTH INSURANCE PROGRAM MAY NOT RESTRICT ACCESS TO HEALTH CARE PROVIDERS;"

4. Title, page 2, line 1 through line 2.

Following: "TAXES;" on line 1

Strike: remainder of line 1 through "PROGRAM;" on line 2

Insert: "PROVIDING CONDITIONS FOR THE SELECTION OF THE VENDOR FOR THE VEHICLE INSURANCE VERIFICATION SYSTEM;"

5. Title, page 2, line 4.

Strike: "53-4-1004,"

Following: "53-4-1005,"

Insert: "53-4-1007,"

6. Title, page 2, line 5.

Strike: "53-4-1115,"

7. Title, page 2, line 7.

Strike: "A"

Strike: "DATE"

Insert: "DATES"

8. Page 2, lines 11 through 23.

Strike: section 1 in its entirety

ReNUMBER: subsequent sections

9. Page 9, lines 11 and 12.

Following: "Act" on line 11

Strike: remainder of line 11 through "AUTHORITY" on line 12

10. Page 10, lines 24 and 25.

Following: "Act" on line 24

Strike: remainder of line 24 through "AUTHORITY" on line 25

11. Page 22, lines 7 through 13.

Strike: section 15 in its entirety

12. Page 23, line 13.

Strike: "\$248,546"

Insert: "\$253,468"

13. Page 23, line 17.

Strike: "\$22,362"

Insert: "\$22,805"

14. Page 23, line 22.

Strike: "\$22,362"

Insert: "\$22,805"

15. Page 23, line 26.

Strike: "\$63,331"

Insert: "\$64,585"

16. Page 24, line 20.

Strike: "\$6,158"

Insert: "\$6,280"

17. Page 24, line 25.

Strike: "\$4,811"

Insert: "\$4,906"

18. Page 24, line 30.

Strike: "\$4,811"

Insert: "\$4,906"

19. Page 25, line 4.

Strike: "\$6,158"

Insert: "\$6,280"

20. Page 26, line 22.

Strike: "The"

Insert: "Except as provided in subsection (3)(b), the"

21. Page 26.

Following: line 26

Insert: "(b) The commissioner shall deposit 16.67% of the money collected under 33-2-705 in the special revenue account provided for in 53-4-1115."

Renumber: subsequent subsection

22. Page 30, line 13 through page 31, line 2.

Strike: section 20 in its entirety

Renumber: subsequent sections

23. Page 31, line 22.

Following: "program."

Insert: "(3) The department is specifically prohibited from providing payment for birth control contraceptives under this program.

(4) The department shall notify enrollees of any restrictions on access to health care providers, of any restrictions on the availability of services by out-of-state providers, and of the methodology for an out-of-state provider to be an eligible provider."

24. Page 31.

Following: line 23

Insert: "Section 19. Section 53-4-1007, MCA, is amended to read:

"53-4-1007. (Temporary) Department may contract for services. (1) The department of public health and human services may administer the program directly or contract with insurance companies or other entities to provide services for a set monthly or yearly fee based on the number of participants in the program and the types of services provided or based on a fee for service as established by the department.

(2) The department of public health and human services may contract for a health care service based on a fee for service when the department does not contract for a health care service through an insurance plan, a health maintenance organization, or a managed care plan. A contract entered into or renewed on or after [the effective date of this act] may not limit enrollee access to providers who are willing to provide services at the rates provided for under the program. In operating the program and providing health services, the department may:

(a) pay providers on a fee-for-service basis in a self-funded program and contract with an insurance company, third-party administrator, or other entity to provide administrative services, including but not limited to processing and payment of claims with program funds;

(b) purchase health coverage for eligible children from an insurance company or other entity through premiums, capitated payments, or other appropriate methods;

(c) purchase health coverage as provided in subsection (2)(b) for some types of health services and contract directly with providers for other types of health services on a fee-for-service basis; or

(d) pay providers on a fee-for-service basis and directly provide administrative services in a self-funded program.

(3) If the department of public health and human services contracts with an insurance company or other entity to administer the program as provided in subsection (2)(b) or (2)(c), not more than 12% of the contract payment may be used for administrative expenses, including:

(a) direct and indirect expenses as specified in 33-22-1514;

(b) risk charges; and

(c) any applicable assessments, fees, and taxes.

(4) If the department operates the program by providing administrative services under subsection (2)(a), (2)(c), or (2)(d), the department's administrative expense may not exceed the lesser of 10% of total program expenses or the applicable federal limitation, excluding costs for federally required audits.

(5) (a) An insurance company or other entity that contracts with the department for a fully insured contract as provided in subsection (2)(b) shall calculate the surplus account balance at

the end of each contract year and may retain an amount equal to 50% of the risk charge allowed under the contract. The remainder of the surplus balance must be deposited in the state special revenue account provided for in 53-4-1012.

(b) For the purposes of this subsection (5):

(i) "risk charge" means the percentage of the administrative expense allowed in the contract for assuming the risk;

(ii) "surplus account balance" means funds that remain after all claims and all administrative expenses have been paid for a claim period. (Terminates on occurrence of contingency--sec. 15, Ch. 571, L. 1999; sec. 7, Ch. 565, L. 2005; sec. 5, Ch. 129, L. 2007.)"

Renumber: subsequent sections

25. Page 32, lines 7 through 25.

Strike: section 23 in its entirety

Renumber: subsequent sections

26. Page 38.

Following: line 16

Insert: "NEW SECTION. Section 29. Vehicle insurance verification system -- vendor requirement. In order to reduce state risk, a vendor who successfully bids on the vehicle insurance verification system project must have installed in at least two other states a substantially similar system, which must be in production."

Renumber: subsequent sections

27. Page 38, lines 21 through 26.

Following: "instruction." on line 21

Strike: remainder of line 21 through "(3)" on line 26

Strike: "28"

Insert: "25"

28. Page 38, line 27.

Strike: "28"

Insert: "25"

29. Page 38.

Following: line 28

Insert: "COORDINATION SECTION. Section 32. Coordination instruction. If House Bill No. 152 and [this act] are both passed and approved, then [section 22] of House Bill No. 152 must be amended as follows:

"NEW SECTION. Section 22. Applicability. [Section 18] applies to rental payments beginning January 1, ~~2011~~ 2012."

Renumber: subsequent sections

30. Page 39, line 1.

Strike: "8"

Insert: "7"

31. Page 39, line 3.

Strike: "16"

Insert: "14"

32. Page 39, line 6.

Following: "Termination."

Insert: "(1)"

Strike: "10"

Insert: "9"

33. Page 39, line 7.

Strike: "12"

Insert: "11"

34. Page 39.

Following: line 7

Insert: "(2) [Section 15] terminates June 30, 2013."

- END -