AN ACT REVISING PERMISSIBLE AND MANDATORY PROVISIONS IN PREFERRED PROVIDER AGREEMENTS, INSURANCE POLICIES, AND SUBSCRIBER CONTRACTS; REMOVING REIMBURSEMENT LIMITATIONS IF A PROVIDER NETWORK IS DETERMINED TO BE ADEQUATE; AND AMENDING SECTION 33-22-1706, MCA.

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

Section 1. Section 33-22-1706, MCA, is amended to read:

"33-22-1706. Permissible and mandatory provisions in provider agreements, insurance policies, and subscriber contracts. (1) A provider agreement, insurance policy, or subscriber contract issued or delivered in this state may contain ~~certain other~~ components designed to control the cost and improve the quality of health care for insureds and subscribers~~, including:~~ as provided in this part.

(2) All terms or conditions of an insurance policy or subscriber contract, except those already approved by the commissioner, are subject to the prior approval of the commissioner.

(3) Provisions designed to control cost and improve the quality of health care under this section include but are not limited to those

~~(a) a provision setting~~ that set a payment difference for reimbursement of a nonpreferred provider as compared to a preferred provider and those designed to give policyholders or subscribers an incentive to choose a particular provider consistent with the other provisions of this part. ~~If the~~

(4) (a) A health benefit plan that contains a payment difference provision~~,~~ and that the commissioner has determined to have an adequate provider network is not subject to subsection (4)(b).

(b) A health benefit plan that contains a payment difference provision and has not been determined to have an adequate provider network may not exceed a 25% ~~the~~ payment difference ~~may not exceed 25% of~~ in the reimbursement level ~~at which~~ for a preferred provider, and the ~~would be reimbursed. The~~ commissioner shall review differences between copayments, deductibles, and other cost-sharing arrangements under this subsection (4)(b).

(c) For the purposes of this subsection (4), a provider network is adequate if:

(i) the network includes at least 80% of the licensed individual physicians actively practicing in the state of Montana;

(ii) the network includes at least 80% of the licensed individual nonphysician health care providers actively practicing in the state of Montana; and

(iii) the network includes at least 90% of those facilities licensed and operating as hospitals in the state of Montana.

~~(b) conditions, not inconsistent with other provisions of this part, designed to give policyholders or subscribers an incentive to choose a particular provider.~~

~~(2) All terms or conditions of an insurance policy or subscriber contract, except those already approved by the commissioner, are subject to the prior approval of the commissioner.~~

~~(3)~~(5) A health benefit plan or other plan offering prepaid dental services under this part ~~must~~ shall offer its insureds the right to obtain dental care from any licensed dental care provider of their choice~~,~~ subject to the same terms and conditions imposed under ~~subsection (1)~~ this section."

- END -

I hereby certify that the within bill,

HB 0544, originated in the House.

Chief Clerk of the House

Speaker of the House

Signed this _____ day

of _____, 2013.

President of the Senate

Signed this _____ day

of _____, 2013.

HOUSE BILL NO. 544

INTRODUCED BY S. REICHNER

AN ACT REVISING PERMISSIBLE AND MANDATORY PROVISIONS IN PREFERRED PROVIDER AGREEMENTS, INSURANCE POLICIES, AND SUBSCRIBER CONTRACTS; REMOVING REIMBURSEMENT LIMITATIONS IF A PROVIDER NETWORK IS DETERMINED TO BE ADEQUATE; AND AMENDING SECTION 33-22-1706, MCA.