63rd Legislature

1	SENATE BILL NO. 297
2	INTRODUCED BY ARNTZEN, KNUDSEN
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4	A BILL FOR AN ACT ENTITLED: "AN ACT ESTABLISHING LIMITATIONS ON THE PAYMENTS NEGOTIATED
5	FOR PREFERRED PROVIDER AGREEMENTS; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE AND
6	A RETROACTIVE APPLICABILITY DATE."
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8	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
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10	NEW SECTION. Section 1. Limitations of preferred provider agreements. (1) Notwithstanding any
11	other provision of law, a provider who has entered into a preferred provider agreement pursuant to this part <u>WITH</u>
12	A PERSON AS DEFINED IN 33-1-202 is not required to provide a discount or accept payment at the rate agreed to
13	in the preferred provider agreement for health care services that are provided to an insured individual if the
14	payment for the services is made directly or indirectly or is otherwise required to be made:
15	(a) under casualty insurance as described in 33-1-206; <u>OR</u>
16	(b) under property insurance as described in 33-1-210 ; or
17	(c) by a plan sponsor as defined in 33-22-140.
18	(2) INSURANCE PAYMENTS MADE TO A PROVIDER OF HEALTH CARE SERVICES UNDER SUBSECTION (1) MUST BE
19	PAID ACCORDING TO THE TERMS OF THE APPLICABLE POLICY OR IN ACCORDANCE WITH ANY WRITTEN AGREEMENT OR
20	CONTRACT EXISTING BETWEEN THE PROVIDER AND THE INSURER OR A PERSON CONTRACTUALLY ENGAGED BY THE
21	INSURER TO PERFORM SERVICES OR AN INSURANCE FUNCTION FOR THE INSURER. THIS SECTION DOES NOT PROHIBIT
22	NEGOTIATIONS REGARDING THE AMOUNT OF THE BILLED CHARGES OR A REASONABLE REQUEST FOR ADDITIONAL
23	INFORMATION OR DOCUMENTS IN ORDER TO EVALUATE THE CLAIM.
24	(3) AN INSURER MAKING PAYMENT ON A CLAIM UNDER A DISABILITY INSURANCE POLICY, MEMBER CONTRACT,
25	HEALTH BENEFIT PLAN, GROUP HEALTH PLAN, BLANKET DISABILITY INSURANCE POLICY AS DEFINED IN 33-22-601, OR
26	OTHER MEDICAL COVERAGE SHALL CREDIT TOWARD SATISFACTION OF THE INSURED'S DEDUCTIBLE, COPAYMENT, OR
27	COINSURANCE, IF ANY, ANY PAYMENT MADE BY A CASUALTY OR PROPERTY INSURER BUT ONLY IF THE PAYMENT TO BE
28	CREDITED IS APPLIED TO A COVERED MEDICAL EXPENSE UNDER THE TERMS OF THE APPLICABLE HEALTH POLICY.
29	(2)(4) The provisions of this section apply regardless of whether the insured may be considered a
30	third-party beneficiary of the preferred provider agreement.

- 1 -

Legislative Services Division

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2	NEW SECTION. Section 2. Codification instruction. (1) [Section 1] is intended to be codified as an
3	integral part of Title 33, chapter 22, part 17 1, and the provisions of Title 33, chapter 22, part 17 1, apply to
4	[section 1].
5	(2) [Section 1] is intended to be codified as an integral part of Title 50, chapter 4, and the
6	PROVISIONS OF TITLE 50, CHAPTER 4, APPLY TO [SECTION 1].
7	
8	NEW SECTION. Section 3. Severability. If a part of [this act] is invalid, all valid parts that are severable
9	from the invalid part remain in effect. If a part of [this act] is invalid in one or more of its applications, the part
10	remains in effect in all valid applications that are severable from the invalid applications.
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12	NEW SECTION. Section 4. Effective date. [This act] is effective on passage and approval.
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14	<u>NEW SECTION.</u> Section 5. Retroactive applicability. [This act] applies retroactively, within the
15	meaning of 1-2-109, to all claims and occurrences on or after December 1, 2010.
16	- END -

