

HOUSE BILL NO. 503

INTRODUCED BY T. BERRY

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A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING THAT LOSS INFORMATION RELATED TO INSURANCE MUST BE PROVIDED TO THE POLICYHOLDER ON REQUEST; INCLUDING LOSS RESERVES AS PART OF LOSS INFORMATION; LIMITING THE USES OF LOSS INFORMATION BY POLICYHOLDERS AND PROHIBITING FURTHER DISCLOSURE OF LOSS INFORMATION; AMENDING SECTIONS 33-19-308 AND 39-71-606, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

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

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NEW SECTION. Section 1. Disclosure of certain claim information on insurance policies. (1)

13 Except as provided in Title 33, chapter 19, on request of a policyholder, an insurer shall provide to the policyholder, or to an insurance producer designated by the policyholder, a list of claims charged against the policy.

16 (2) The information must include:

- 17 (a) the date and description of the claim;
 - 18 (b) details relating to the cause and disposition of the claim; and
 - 19 (c) a list of the claims charged against the policy, including payments made and reserves established
- 20 on each claim.

21 (3) The information must be provided within 20 days of the policyholder's request.

22 (4) The information provided under this section is confidential insurance information. The information may be used by the policyholder for internal management purposes or for procuring insurance products but may not be disclosed for any other purpose without the express written consent of the insurer.

25 (5) This section does not apply to workers' compensation insurance.

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Section 2. Section 33-19-308, MCA, is amended to read:

28 **"33-19-308. Disclosure of underwriting information.** (1) An insurance institution or insurance-support organization shall, within 30 days of receiving a written request from an entity listed in subsection (2) that it provides coverage for, disclose to that entity the following information that the entity specifically requests about

1 the entity's coverage:

2 (a) total premiums collected from the entity for the policy year; and

3 (b) total losses paid out with respect to the entity for the policy year.

4 (2) Any of the following entities may request information about the entity's coverage pursuant to this
5 section:

6 (a) an association having a group health insurance program for its members;

7 (b) a group purchasing cooperative;

8 (c) a group health plan that is a multiple employer welfare arrangement;

9 (d) a self-insured group; and

10 (e) a business that provides group health insurance for its employees, ~~except that a business with~~
11 ~~between 2 and 50 employees is not subject to the provisions of this section.~~

12 (3) Information disclosed pursuant to this section may not include any personal information pertaining
13 to an individual covered by a group plan that has been obtained or administered by an entity listed in subsection
14 (2).

15 (4) Information that is obtainable pursuant to the provisions of this section may not be requested more
16 than once during any calendar year.

17 (5) An association provided for in subsection (2)(a) must be provided with reasonable information by its
18 insurance institution or insurance support organization to enable the association to receive a bid or quote for
19 coverage from other insurance entities."

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21 **Section 3.** Section 39-71-606, MCA, is amended to read:

22 **"39-71-606. Insurer to accept or deny claim within 30 days of receipt -- notice of benefits and**
23 **entitlements to claimants -- notice of denial -- notice of reopening -- notice to employer -- employer's right**
24 **to loss information.** (1) Each insurer under any plan for the payment of workers' compensation benefits shall,

25 within 30 days of receipt of a claim for compensation signed by the claimant or the claimant's representative,
26 either accept or deny the claim and, if denied, shall inform the claimant and the department in writing of the denial.

27 (2) The department shall make available to insurers for distribution to claimants sufficient copies of a
28 document describing current benefits and entitlements available under Title 39, chapter 71. ~~Upon~~ On receipt of
29 a claim, each insurer shall promptly notify the claimant in writing of potential benefits and entitlements available
30 by providing the claimant a copy of the document prepared by the department.

1 (3) Each insurer under plan No. 2 or No. 3 for the payment of workers' compensation benefits shall notify
 2 the employer of the reopening of the claim within 14 days ~~of~~ after the reopening of a claim for the purpose of
 3 paying compensation benefits.

4 (4) ~~(a) Upon the request of~~ When requested by an employer that it an insurer currently insures or has
 5 insured in the immediately preceding 5 years or when requested by the employer's designated insurance
 6 producer, an insurer shall notify the employer of provide the loss information listed in subsection (4)(b) within 20
 7 days of the request.

8 (b) Loss information provided under this subsection (4) must include for the period requested:

9 (i) all date of injury or occupational disease data for the employer's claims;

10 (ii) payment data on the employer's closed claims; and

11 (iii) payment data and loss reserve amounts on the employer's open claims, including all compensation
 12 benefits that are ongoing and are being charged against that employer's account.

13 (c) The information provided under this subsection (4) is confidential insurance information. The
 14 information may be used by the employer for internal management purposes or for procuring insurance products
 15 but may not be disclosed for any other purpose without the express written consent of the insurer.

16 (5) Failure of an insurer to comply with the time limitations required in ~~this section~~ subsections (1) and
 17 (3) does not constitute an acceptance of a claim as a matter of law. However, an insurer who fails to comply with
 18 39-71-608 or ~~this section~~ subsections (1) and (3) may be assessed a penalty under 39-71-2907 if a claim is
 19 determined to be compensable by the workers' compensation court."
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21 NEW SECTION. Section 4. Codification instruction. [Section 1] is intended to be codified as an
 22 integral part of Title 33, chapter 15, part 4, and the provisions of Title 33, chapter 15, part 4, apply to [section 1].
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24 NEW SECTION. Section 5. Effective date. [This act] is effective on passage and approval.
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