

HOUSE BILL NO. 123

INTRODUCED BY A. CURTIS

BY REQUEST OF THE STATE AUDITOR

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5 A BILL FOR AN ACT ENTITLED: "AN ACT REVISING HEALTH CARE PROVIDER NETWORK DISCLOSURE  
6 LAWS; PROVIDING ADDITIONAL INFORMATION AND CONTROL TO HEALTH CARE CONSUMERS;  
7 PROVIDING PROCEDURES FOR INFORMING CONSUMERS ABOUT OUT-OF-NETWORK HEALTH CARE  
8 COSTS; PROVIDING PROCEDURES FOR INSURERS TO PROVIDE INFORMATION ABOUT  
9 OUT-OF-NETWORK HEALTH CARE COSTS; INFORMING PATIENTS ABOUT OPTING OUT OF  
10 PROCEDURES; AMENDING SECTIONS 50-4-504, 50-4-511, 50-4-512, 50-4-517, AND 50-4-518, MCA; AND  
11 PROVIDING A DELAYED EFFECTIVE DATE AND AN APPLICABILITY DATE."

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

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15 **Section 1.** Section 50-4-504, MCA, is amended to read:

16 **"50-4-504. Definitions.** As used in this part, the following definitions apply:  
17 (1) "Health care" includes both physical health care and mental health care.  
18 (2) "Health care provider" or "provider" means a person who is licensed, certified, or otherwise authorized  
19 by the laws of this state to provide health care in the ordinary course of business or practice of a profession.  
20 (3) "Health insurer" means any health insurance company, health service corporation, health  
21 maintenance organization, multiple employer welfare arrangement authorized under Title 33, chapter 35, insurer  
22 providing disability insurance as described in 33-1-207, and to the extent permitted under federal law, any  
23 administrator of an insured, self-insured, or publicly funded health care benefit plan offered by public and private  
24 entities."

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26 **Section 2.** Section 50-4-511, MCA, is amended to read:

27 **"50-4-511. Legislative purpose.** The purpose of 50-4-510 through 50-4-512 is to provide health care  
28 consumers with better information on and control over the cost of their medical care and to introduce elements  
29 of competition into the marketplace."  
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1           **Section 3.** Section 50-4-512, MCA, is amended to read:

2           **"50-4-512. Disclosures required of health care providers.** (1) Upon request of a patient or a patient's  
3 agent, a health care provider, outpatient center for surgical services, clinic, or hospital shall provide the patient  
4 or the patient's agent with its estimated charge for a health care service or course of treatment that exceeds \$500.  
5 The estimate must be provided for a service that a patient is receiving or has been recommended to receive and  
6 must indicate in which insurer provider networks the health care provider participates. The estimate must be  
7 provided at the time the service is scheduled or within 10 business days of the patient's or agent's request,  
8 whichever is sooner.

9           (2) (a) A health care provider shall advise patients of their rights under 50-4-518 and this section using  
10 the following methods of delivery:

11           (i) in writing at the time the medical care or service is scheduled; and

12           (ii) in a posted notice visible to a patient, whether in a waiting room or in another visible location.

13           (b) The patient or patient's agent may request that the information required under this section be provided  
14 in writing or electronically.

15           (3) The estimated charge:

16           (a) must represent a good faith effort to provide accurate information to the patient or the patient's agent;

17           (b) is not a binding contract upon the parties unless the patient elects to opt out under subsection (5);

18 and

19           (c) is not a guarantee that the estimated amount will be the charged amount or will account for  
20 unforeseen conditions.

21           (4) Other required disclosures include a statement by the health care provider as to whether other health  
22 care providers may be necessary to complete the required medical care. The disclosure must indicate whether  
23 an estimate of those charges must be obtained separately from the assisting health care provider.

24           (5) The health care provider shall offer the patient the opportunity to opt out of receiving services from  
25 a nonparticipating health care provider if the health care provider determines that opting out would not affect the  
26 patient's course of treatment.

27           (6) This section does not apply to emergency medical services provided for the treatment of an  
28 emergency medical condition."

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30           **Section 4.** Section 50-4-517, MCA, is amended to read:

1           **"50-4-517. Legislative purpose.** The purpose of 50-4-516 through 50-4-518 is:

2           (1) to provide health care consumers with better information regarding on and control over the portion  
3 of their health care costs that will be paid by their health insurer and the portion that they will have to pay  
4 themselves; and

5           (2) to introduce elements of competition into the marketplace."  
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7           **Section 5.** Section 50-4-518, MCA, is amended to read:

8           **"50-4-518. Disclosures required of health insurers -- limitations.** (1) When requested by an insured  
9 or the insured's agent, a health insurer shall provide a summary of the insured's estimated coverage amounts  
10 for a specific health care service or course of treatment when an actual charge or estimate of charges by a health  
11 care provider, outpatient center for surgical services, clinic, or hospital exceeds \$500.

12           (2) The request by the insured or the insured's agent may request that for the information required under  
13 this section must be provided made orally or in writing, which includes making the request or electronically.

14           (3) The health insurer shall provide the requested information at the time the service is scheduled or  
15 within 10 business days of the request by the insured or the insured's agent, whichever is sooner.

16           ~~(3)~~(4) The health insurer shall make a good faith effort to provide accurate information under this section.  
17 The health insurer is only required to provide information under this section based upon cost estimates and  
18 procedure codes obtained by the insured from the insured's health care provider.

19           (5) A health insurer shall advise insureds of their rights under 50-4-512 and this section in the outline  
20 of coverage and in a separate written notice, delivered electronically or by mail. The notice must contain a phone  
21 number that the insured may call to obtain more information.

22           (6) The summary of the estimated coverage amount must include information about out-of-pocket costs  
23 from nonparticipating health care providers.

24           (7) The insurer shall inform the insured of the right to opt out of receiving services from a nonparticipating  
25 health care provider by signing a form provided by the scheduling health care provider. The insurer also shall  
26 provide a list of available participating providers who are located within a reasonable distance and who may be  
27 available to provide the same medical service.

28           (8) This section does not apply to emergency medical services provided for the treatment of an  
29 emergency medical condition."  
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