

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

"50-4-504. Definitions. As used in this part, the following definitions apply:

(1) "AUTHORIZED AGENT" OR "AGENT" MEANS A PERSON OR ENTITY:

(A) AUTHORIZED UNDER FEDERAL OR STATE LAW TO RECEIVE HEALTH CARE INFORMATION ABOUT A PATIENT; AND

(B) TO WHOM THE PATIENT HAS PROVIDED A WRITTEN AUTHORIZATION TO OBTAIN INFORMATION UNDER THIS PART

ON BEHALF OF THE PATIENT.

~~(1)~~(2) "Health care" includes both physical health care and mental health care.

~~(2)~~(3) "Health care provider" or "provider" means a person who is licensed, certified, or otherwise authorized by the laws of this state to provide health care in the ordinary course of business or practice of a profession.

~~(3)~~(4) "Health insurer" means any health insurance company, health service corporation, health maintenance organization, multiple employer welfare arrangement authorized under Title 33, chapter 35, insurer providing disability insurance as described in 33-1-207, and to the extent permitted under federal law, any administrator of an insured, self-insured, or publicly funded health care benefit plan offered by public and private entities."

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

2 **"50-4-511. Legislative purpose.** The purpose of 50-4-510 through 50-4-512 is to provide health care
3 consumers with better information on and control over the cost of their medical care and to introduce elements
4 of competition into the marketplace."
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6 **Section 3.** Section 50-4-512, MCA, is amended to read:

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

14 ~~———— (2) (a) A health care provider shall:~~

15 (A) INDICATE NETWORK STATUS, IF KNOWN, UNDER THE PATIENT'S HEALTH PLAN FOR A HEALTH CARE SERVICE
16 OR COURSE OF TREATMENT AND IF UNKNOWN, PROVIDE THE PATIENT WITH CONTACT INFORMATION FOR THE PATIENT'S
17 INSURER;

18 (B) INDICATE WHETHER THE SERVICES OF OTHER HEALTH CARE PROVIDERS MAY BE NECESSARY TO COMPLETE
19 THE REQUIRED MEDICAL CARE AND INFORM THE PATIENT THAT AN ESTIMATE OF THOSE CHARGES AND INFORMATION ON
20 NETWORK STATUS MUST BE OBTAINED SEPARATELY FROM THE OTHER HEALTH CARE PROVIDERS OR ANOTHER HEALTH
21 PLAN; AND

22 (C) advise patients of their rights under 50-4-518 and this section using the following methods of delivery:

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

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

25 (2) (A) THE ESTIMATE MUST BE PROVIDED AT THE TIME THE SERVICE IS PROVIDED OR WITHIN 10 BUSINESS DAYS
26 OF THE PATIENT'S OR AGENT'S REQUEST, WHICHEVER IS SOONER.

27 (b) The patient or ~~patient's~~ agent may request that the information required under this section be
28 provided ~~in writing or~~ IN WRITING OR electronically.

29 (3) The estimated charge:

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

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

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

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

8 ~~(5)(4) The health care provider shall offer the patient the opportunity to opt out of receiving services from~~
 9 ~~a nonparticipating health care provider if the health care provider determines that opting out would not affect the~~
 10 ~~patient's course of treatment.~~

11 ~~(6)(5) This section does not apply to emergency medical services provided for the treatment of an~~
 12 ~~emergency medical condition."~~

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

15 **"50-4-517. Legislative purpose.** The purpose of 50-4-516 through 50-4-518 is:

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

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

22 **"50-4-518. Disclosures required of health insurers -- limitations.** (1) When requested by an insured
 23 or ~~the insured's~~ AN AUTHORIZED agent, a health insurer shall provide a summary of the insured's estimated
 24 coverage amounts for a specific health care service or course of treatment when an actual charge or estimate
 25 of charges by a health care provider, outpatient center for surgical services, clinic, or hospital exceeds \$500.

26 (2) The ~~request by the~~ insured or ~~the insured's~~ agent ~~may request that for~~ the information required under
 27 this section must be ~~provided~~ made orally or BY PHONE, in writing, ~~which includes making the request or~~ OR
 28 electronically.

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

1 (4) IF THE INSURER HAS AN ONLINE CONSUMER COST ESTIMATOR TRANSPARENCY TOOL THAT ALLOWS THE
2 INSURED OR THE AUTHORIZED AGENT TO ESTIMATE THE INSURED'S COVERAGE AMOUNTS FOR CERTAIN SERVICES,
3 INCLUDING DEDUCTIBLE AND OTHER COST-SHARING AMOUNTS, AND THE INSURED OR THE AGENT CHOOSES TO USE THE
4 TRANSPARENCY TOOL TO OBTAIN ESTIMATED COVERAGE AMOUNTS, THE TRANSPARENCY TOOL SATISFIES THE
5 REQUIREMENTS OF SUBSECTION (1).

6 ~~(3)(4)(5)~~ The health insurer shall make a good faith effort to provide accurate information under this
7 section. The health insurer is only required to provide information under this section based upon cost estimates
8 and procedure codes obtained by the insured from the insured's health care provider.

9 ~~(5)(6) A health insurer shall advise insureds of their rights under 50-4-512 and this section in the outline~~
10 ~~of coverage and in a separate written notice, delivered electronically or by mail. The notice must contain a phone~~
11 ~~number that the insured may call to obtain more information.~~

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

14 ~~(7) The insurer shall inform the insured of the right to opt out of receiving services from a nonparticipating~~
15 ~~health care provider by signing a form provided by the scheduling health care provider. The insurer also shall~~
16 ~~provide a list of available~~ THE INSURED WITH ACCESS TO CONTACT INFORMATION FOR participating providers who are
17 located within a reasonable distance and who may be available to provide the same medical service.

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

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21 NEW SECTION. Section 6. Effective date -- applicability. [This act] is effective January 1, 2018, and
22 applies to health insurance plans and policies issued or renewed on or after January 1, 2018.

23 - END -