

HOUSE BILL NO. 252

INTRODUCED BY A. HERTZ

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A BILL FOR AN ACT ENTITLED: "AN ACT REVISING INSURANCE LAWS PERTAINING TO HEALTH CARE PROVIDER AGREEMENTS; CLARIFYING THE ADEQUACY CRITERIA FOR PROVIDER NETWORKS; AMENDING SECTION 33-22-1706, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

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 components designed to control the cost and improve the quality of health care for insureds and subscribers 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 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.

(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% payment difference in the reimbursement level for a preferred provider, and 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~~ individual physicians licensed under Title 37, chapter 3;  
(ii) the network includes at least 80% of the ~~licensed individual nonphysician health care providers actively~~



1 ~~practicing in the state of Montana~~ individual health care providers in Montana other than those licensed under  
2 Title 37, chapter 3; and

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

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

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9 NEW SECTION. **Section 2. Effective date.** [This act] is effective on passage and approval.

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