

## HOUSE BILL NO. 658

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A BILL FOR AN ACT ENTITLED: "AN ACT GENERALLY REVISING HEALTH CARE LAWS; ~~MAKING~~  
~~EXTENDING~~ THE MEDICAID EXPANSION PROGRAM PERMANENT BY ~~REPEALING~~ ~~REVISING~~ THE  
 TERMINATION DATE OF THE MONTANA HEALTH AND ECONOMIC LIVELIHOOD PARTNERSHIP ACT;  
 ESTABLISHING COMMUNITY ENGAGEMENT ~~AND HEALTH RISK AND JOB READINESS ASSESSMENT~~  
 REQUIREMENTS FOR HELP ACT PARTICIPANTS; REVISING MEDICAID ELIGIBILITY VERIFICATION  
 PROCEDURES; ESTABLISHING A HELP ACT EMPLOYER GRANT PROGRAM; ~~ESTABLISHING LIMITATIONS~~  
~~ON MEDICAL MALPRACTICE CLAIMS WHEN A DOCUMENTED RATIONALE EXISTS FOR A MEDICAL~~  
~~TREATMENT~~; ENACTING A FEE ON HEALTH SERVICE CORPORATIONS; ~~APPLYING THE INSURANCE~~  
~~PREMIUM TAX TO THE MONTANA STATE FUND~~; ESTABLISHING A FEE ON HOSPITAL OUTPATIENT  
 REVENUE; REVISING TAXPAYER INTEGRITY FEES; CREATING A SPECIAL REVENUE ACCOUNT;  
~~ALLOWING THE GOVERNOR TO AUTHORIZE A SUPPLEMENTAL APPROPRIATION TRANSFER FOR THE~~  
~~DEPARTMENT OF PUBLIC HEALTH AND HUMAN SERVICES; REQUIRING THE GOVERNOR TO REPORT~~  
~~TO THE LEGISLATIVE FINANCE COMMITTEE~~; EXTENDING RULEMAKING AUTHORITY; PROVIDING  
 APPROPRIATIONS; REMOVING STATUTORY APPROPRIATIONS; AMENDING SECTIONS 15-30-2618,  
15-30-2660, 15-31-511, 15-66-101, 15-66-102, 15-66-103, 15-66-201, 15-66-202, 15-66-203, 15-66-204,  
 15-66-205, 17-7-301, 17-7-311, 17-7-502, ~~33-1-115~~, ~~33-2-705~~, ~~33-2-708~~, 33-30-102, 39-12-101, 39-12-103,  
~~39-71-2375~~, 53-4-1110, ~~53-4-1115~~, 53-6-131, 53-6-133, 53-6-149, 53-6-160, 53-6-1302, 53-6-1303, 53-6-1304,  
 53-6-1305, 53-6-1306, 53-6-1307, AND 53-6-1311, ~~AND 53-6-1317~~, MCA; REPEALING SECTION 53-6-1316,  
 MCA; AMENDING ~~AND REPEALING~~ SECTION 28, CHAPTER 368, LAWS OF 2015; AND PROVIDING  
 EFFECTIVE DATES AND AN APPLICABILITY DATE."

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

NEW SECTION. **Section 1. Community engagement requirements -- countable activities --**

1 **exemptions -- self-attestation.** (1) Except as provided in subsections (3) through (5), an individual receiving  
 2 coverage under this part shall participate in 80 hours of community engagement activities each month if the  
 3 individual is at least 19 years of age but no more than ~~59~~ 55 years of age.

4 (2) Time spent in one or more of the following activities may be counted toward the monthly requirement  
 5 for community engagement:

6 (a) employment ~~as evidenced through reportable wages;~~

7 ~~(b) activities required to obtain unemployment insurance pursuant to Title 39, chapter 51;~~

8 ~~—— (c) a workforce training program approved by the state;~~

9 ~~—— (d) part-time enrollment for credit in a postsecondary institution, with one credit unit equaling 3 hours a~~  
 10 ~~week of time counted toward the community engagement requirements;~~

11 ~~—— (e) active treatment in a behavioral health or substance use disorder treatment program approved by~~  
 12 ~~the department;~~

13 ~~—— (f) a community corrections program providing the services listed in 53-30-303(2)(b); or~~

14 (B) WORK READINESS OR WORKFORCE TRAINING ACTIVITIES;

15 (C) SECONDARY, POSTSECONDARY, OR VOCATIONAL EDUCATION;

16 (D) SUBSTANCE ABUSE EDUCATION OR SUBSTANCE USE DISORDER TREATMENT;

17 (E) OTHER WORK OR COMMUNITY ENGAGEMENT ACTIVITIES THAT PROMOTE WORK OR WORK READINESS OR  
 18 ADVANCE THE HEALTH PURPOSE OF THE MEDICAID PROGRAM;

19 ~~(g)(F) a community service or volunteer opportunity that is approved by the department; OR~~

20 (G) ANY OTHER ACTIVITY REQUIRED BY THE CENTERS FOR MEDICARE AND MEDICAID SERVICES FOR THE PURPOSE  
 21 OF OBTAINING NECESSARY WAIVERS UNDER THIS PART.

22 (3) A program participant is exempt from the requirements of this section if ~~the participant attests that~~  
 23 the participant is:

24 (a) medically frail as defined in 42 CFR 440.315;

25 ~~(b) receiving temporary or permanent disability benefits from a government or private source;~~

26 ~~—— (c) a full-time caregiver for a dependent child under the age of compulsory school attendance;~~

27 ~~—— (d) a full-time caregiver for a disabled child or adult who is receiving temporary or permanent disability~~  
 28 ~~benefits from a government or private source;~~

29 ~~—— (e) a full-time student enrolled in:~~

30 ~~—— (i) a secondary school; or~~

- 1 ~~—— (ii) a postsecondary institution that does not offer a health care plan to students;~~  
2 ~~—— (f) incarcerated in a state prison as defined in 53-30-101 or held in a county jail for a period of 30 days~~  
3 ~~or more;~~  
4 ~~—— (g) (i) pregnant and determined by the individual's health care provider to be unable to fulfill the~~  
5 ~~community engagement requirements because of risks or complications associated with the pregnancy; or~~  
6 ~~—— (ii) less than 60 days postpartum;~~  
7 ~~—— (h) a member of a population for whom the federal government generally pays the cost of health care~~  
8 ~~services covered under this part; or~~
- 9 (B) BLIND OR DISABLED;  
10 (C) PREGNANT;  
11 (D) EXPERIENCING AN ACUTE MEDICAL CONDITION REQUIRING IMMEDIATE MEDICAL TREATMENT;  
12 (E) MENTALLY OR PHYSICALLY UNABLE TO WORK;  
13 (F) A PRIMARY CAREGIVER FOR A PERSON WHO IS UNABLE TO PROVIDE SELF-CARE;  
14 (G) A FOSTER PARENT;  
15 (H) A FULL-TIME STUDENT IN A SECONDARY SCHOOL;  
16 (I) A STUDENT ENROLLED IN THE EQUIVALENT OF AT LEAST SIX CREDITS IN A POSTSECONDARY OR VOCATIONAL  
17 INSTITUTION;  
18 (J) PARTICIPATING IN OR EXEMPT FROM THE WORK REQUIREMENTS OF THE TEMPORARY ASSISTANCE FOR NEEDY  
19 FAMILIES PROGRAM OR THE SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM;  
20 (K) UNDER SUPERVISION OF THE DEPARTMENT OF CORRECTIONS, A COUNTY JAIL, OR ANOTHER ENTITY AS  
21 DIRECTED BY A COURT, THE DEPARTMENT OF CORRECTIONS, OR THE BOARD OF PARDONS AND PAROLE;  
22 (L) EXPERIENCING CHRONIC HOMELESSNESS;  
23 (M) A VICTIM OF DOMESTIC VIOLENCE AS DEFINED BY THE PERSONAL RESPONSIBILITY AND WORK OPPORTUNITY  
24 RECONCILIATION ACT OF 1996, 42 U.S.C. 601, ET SEQ.;  
25 (N) LIVING IN AN AREA WITH A HIGH-POVERTY DESIGNATION;  
26 ~~(f)(o)~~ (O) a member of an entity subject to the fee provided for in 15-30-2660(3); OR  
27 (P) OTHERWISE EXEMPT UNDER FEDERAL LAW.  
28 (4) A program participant is exempt from the requirements of this section if the department ~~is able to~~  
29 ~~verify that the individual is employed and that the individual's wages are equal to or greater than 100% of the~~  
30 ~~federal poverty level for the household size reported for the purposes of qualifying for medicaid under this part.~~

1 ~~The department shall verify the participant's wages on a quarterly basis~~ DETERMINES THAT THE PARTICIPANT'S  
 2 INCOME EXCEEDS AN AMOUNT EQUAL TO THE AVERAGE OF 80 HOURS PER MONTH MULTIPLIED BY THE MINIMUM WAGE.

3 (5) A program participant is exempt from the requirements of this section in any ~~month~~ REPORTING PERIOD  
 4 in which the participant ~~attests that the participant:~~

5 (a) is hospitalized or caring for an immediate family member who has been hospitalized; ~~or~~

6 (b) has a documented serious illness or incapacity or is caring for an immediate family member with a  
 7 documented serious illness or incapacity; OR

8 (C) IS IMPACTED BY A CATASTROPHIC EVENT OR HARDSHIP AS DEFINED BY THE DEPARTMENT BY RULE THAT  
 9 PREVENTS THE PARTICIPANT FROM COMPLYING WITH THE COMMUNITY ENGAGEMENT REQUIREMENTS OF THIS SECTION.

10 (6) ~~A program participant who accepts an opportunity to participate in a community service or volunteer~~  
 11 ~~opportunity to satisfy the requirements of this section:~~

12 ~~—— (a) consents to any risks that may be inherent in the opportunity; and~~

13 ~~—— (b) is a volunteer as defined in 39-71-118(2)(b) and not eligible for workers' compensation under Title~~  
 14 ~~39, chapter 71.~~

15 (7) ~~(a)(6)~~ The department may ~~certify~~ DETERMINE, through use of available ADMINISTRATIVE data systems,  
 16 that a program participant:

17 ~~(i)(A)~~ meets the community engagement requirements of this section; or

18 ~~(ii)(B)~~ is exempt from meeting the community engagement requirements.

19 ~~(b) The department shall notify program participants for whom it can verify community engagement~~  
 20 ~~requirements or exemptions that the participants do not have to comply with the attestation requirements of~~  
 21 ~~[section 1] or the reporting requirements of [section 2], as applicable.~~

22  
 23 NEW SECTION. Section 2. Community engagement -- self-reporting of compliance --

24 disenrollment REPORTING -- SUSPENSION -- AUDIT. (1) ~~(a) Unless a program participant is exempt from the~~  
 25 ~~community engagement requirements of [section 1] or has been certified by the department as meeting the~~  
 26 ~~requirements, the participant shall report on a quarterly basis that the participant has met the requirements. The~~  
 27 ~~department shall adopt rules establishing reporting requirements. The rules must:~~

28 ~~—— (i) specify the manner in which hours are calculated to determine compliance with the community~~  
 29 ~~engagement requirements; and~~

30 ~~—— (ii) take into account a participant's customary hours of employment if the participant is employed in an~~

1 occupation for which hours vary based on demand for the services provided:

2 ~~—— (b) The participant may report on community engagement activities verbally, in writing, or electronically.~~

3 ~~The department shall develop a means for providing the report electronically: (1) THE DEPARTMENT SHALL ADOPT~~

4 RULES ESTABLISHING:

5 (A) REQUIREMENTS FOR REPORTING COMMUNITY ENGAGEMENT REQUIREMENTS;

6 (B) REQUIREMENTS FOR OBTAINING AN EXEMPTION FROM THE COMMUNITY ENGAGEMENT REQUIREMENTS AS

7 ALLOWED UNDER [SECTION 1]; AND

8 (C) A PROGRAM TO AUDIT INFORMATION PROVIDED BY PROGRAM PARTICIPANTS TO THE DEPARTMENT TO ENSURE

9 COMPLIANCE WITH THE REQUIREMENTS OF [SECTION 1].

10 (2) The department shall notify a program participant who is not in compliance with the community  
11 engagement requirements that:

12 (a) the participant has ~~90~~ 180 days to come into compliance; and

13 (b) failure to comply within the ~~90-day~~ 180-DAY period will be considered a voluntary ~~disenrollment~~  
14 SUSPENSION from the program unless the participant attests AND THE DEPARTMENT CONFIRMS that the participant  
15 is exempt from the community engagement requirements as allowed under [section 1].

16 (3) A participant who is ~~disenrolled~~ SUSPENDED from the program for noncompliance may ~~apply to reenroll~~  
17 BE REINSTATED 180 days after the date of ~~disenrollment~~: SUSPENSION OR UPON A DETERMINATION BY THE  
18 DEPARTMENT THAT THE PROGRAM PARTICIPANT:

19 (A) IS EXEMPT FROM THE COMMUNITY ENGAGEMENT REQUIREMENTS; OR

20 (B) HAS BEEN IN COMPLIANCE WITH THE REQUIREMENTS FOR 30 DAYS. A PARTICIPANT REINSTATED PURSUANT  
21 TO THIS SUBSECTION (3)(B) MUST REMAIN UNDER HEIGHTENED MONITORING BY THE DEPARTMENT DURING THE REMAINDER  
22 OF THE SUSPENSION PERIOD.

23 ~~(4) An individual newly enrolled in coverage under this part has 90 days from the time of enrollment to~~  
24 ~~comply with the community engagement requirements.~~

25 ~~—— (5) If a program participant has attested to an exemption from the requirements as allowed under [section~~  
26 ~~1(5)], the department shall verify on a quarterly basis that the participant continues to meet the conditions for an~~  
27 ~~exemption.~~

28 (4) (A) IF SUSPENSIONS FOR NONCOMPLIANCE WITH COMMUNITY ENGAGEMENT REQUIREMENTS REACH A LEVEL  
29 EXCEEDING 5% OF PROGRAM PARTICIPANTS, THE DEPARTMENT SHALL NOTIFY THE LEGISLATIVE FINANCE AUDIT  
30 COMMITTEE. THE UPON CONSIDERATION OF RECOMMENDATIONS BY THE LEGISLATIVE FINANCE COMMITTEE AUDITOR, THE

1 LEGISLATIVE AUDIT COMMITTEE SHALL SELECT AN INDEPENDENT THIRD-PARTY AUDITOR TO CONDUCT A STATISTICALLY  
 2 RELEVANT AN AUDIT OF THE PARTICIPANTS WHO WERE SUBJECT TO SUSPENSION USING STATISTICALLY VALID METHODS.

3 (B) (I) THE AUDIT MUST BE COMPLETED WITHIN 90 DAYS AND THE REPORT MADE AVAILABLE TO THE LEGISLATIVE  
 4 FINANCE AUDIT COMMITTEE.

5 (II) IF THE AUDIT IS NOT COMPLETED WITHIN 90 DAYS, THE DEPARTMENT SHALL IMMEDIATELY CEASE SUSPENSIONS  
 6 UNTIL THE AUDIT IS COMPLETE AND THE LEGISLATIVE FINANCE AUDIT COMMITTEE HAS RECEIVED THE AUDIT REPORT.

7 (C) IF THE AUDIT FINDS THAT MORE THAN 10% OF THE PARTICIPANTS IN THE AUDIT SAMPLE WERE SUSPENDED  
 8 ERRONEOUSLY, THE DEPARTMENT SHALL CEASE FURTHER SUSPENSIONS UNTIL THE CONCLUSION OF THE NEXT GENERAL  
 9 LEGISLATIVE SESSION.

10 (D) IF THE AUDIT FINDS THAT 10% OR FEWER OF THE PARTICIPANTS IN THE AUDIT SAMPLE WERE SUSPENDED  
 11 ERRONEOUSLY, THE DEPARTMENT SHALL CONTINUE TO SUSPEND THE ENROLLMENT OF PROGRAM PARTICIPANTS WHO FAIL  
 12 TO MEET THE COMMUNITY ENGAGEMENT REQUIREMENTS.

13 (E) THE COST OF ANY AUDIT UNDER THIS SECTION PERFORMED AT THE DIRECTION OF THE LEGISLATIVE AUDITOR  
 14 AUDIT COMMITTEE MUST BE PAID BY THE DEPARTMENT.

15  
 16 ~~NEW SECTION. Section 3. Health risk and employment readiness assessments -- exceptions --~~  
 17 ~~disenrollment for failure to complete. (1) Within 6 months of enrolling in the program, a program participant~~  
 18 ~~shall complete:~~

19 ~~—— (a) a form assessing health risks; and~~

20 ~~—— (b) a form assessing employment readiness.~~

21 ~~—— (2) The department shall:~~

22 ~~—— (a) develop the assessment forms, consulting with the department of labor and industry to develop the~~  
 23 ~~employment readiness assessment form;~~

24 ~~—— (b) allow a program participant to complete the assessments verbally by phone, in writing, or through~~  
 25 ~~an electronic means;~~

26 ~~—— (c) provide the results of both assessments to the participant; and~~

27 ~~—— (d) provide the results of the employment readiness assessment to the department of labor and industry~~  
 28 ~~to assist with carrying out the workforce development activities provided for in Title 39, chapter 12.~~

29 ~~—— (3) Except as provided in subsection (4), a participant shall complete a health risk assessment and an~~  
 30 ~~employment readiness assessment each year.~~

1 ~~———— (4) (a) A participant is exempt from completing a health risk assessment in any year in which the~~  
 2 ~~participant has a preventive care visit as defined by the department by rule.~~

3 ~~———— (b) A participant is exempt from completing an employment readiness assessment other than the initial~~  
 4 ~~assessment in any year in which the participant is exempt, under [section 1(3)], from meeting the community~~  
 5 ~~engagement requirements of this part.~~

6 ~~———— (5) The department shall disenroll a program participant who fails to complete an initial assessment~~  
 7 ~~within 6 months of receiving benefits under this part or who fails to complete an additional assessment as~~  
 8 ~~required during any subsequent year of continuous coverage under this part. The individual may apply to reenroll~~  
 9 ~~6 months after the date of disenrollment.~~

10  
 11 ~~———— NEW SECTION. **Section 4. Department auditing of self-attestations and self-reporting -- agency**~~

12 ~~**sharing of information.** (1) The department shall audit on a quarterly basis the reports and attestations of~~  
 13 ~~program participants relating to their participation in or exemption from community engagement requirements,~~  
 14 ~~unless the department has verified that the participant is earning 100% or more of the federal poverty level for~~  
 15 ~~the household size reported for the purposes of qualifying for medicaid under this part.~~

16 ~~———— (2) The department shall audit a statistically valid sample of program participants to determine, with a~~  
 17 ~~confidence interval of 95% and a level of precision of 3%, whether the error rate on self-reporting and~~  
 18 ~~self-attestation is 10% or less.~~

19 ~~———— (3) If the audit shows that more than 10% of program participants may have provided incorrect~~  
 20 ~~information, the department shall double the number of audits conducted each quarter until the audits find that~~  
 21 ~~fewer than 10% of program participants are incorrectly reporting their community engagement activities or~~  
 22 ~~exemptions.~~

23 ~~———— (4) A participant found to have intentionally filed an incorrect report of community engagement activities~~  
 24 ~~or to have intentionally claimed an exemption to which the participant was not entitled must be disenrolled from~~  
 25 ~~the program. The individual may apply to reenroll 12 months after the date of disenrollment.~~

26 ~~———— (5) (a) State agencies shall share information as allowed under this section if requested by the~~  
 27 ~~department for an audit of a program participant's reporting of community engagement activities or attestation~~  
 28 ~~of an exemption, only to the extent necessary to verify the accuracy of the reporting or attestation.~~

29 ~~———— (b) The department of labor and industry shall provide information related to quarterly wage reports,~~  
 30 ~~unemployment-related activities, participation in workforce training programs operated or approved by the~~

1 department of labor and industry, or determinations of a permanent, partial, or temporary disability for which a  
2 person is receiving workers' compensation benefits:

3 ~~—— (c) The department of corrections shall provide information about participation in a community  
4 corrections program or the incarceration status or length of incarceration for a program participant.~~

5 ~~—— (6) The Montana university system may share information about a program participant's educational  
6 status and credit hours if requested by the department for the purposes of an audit under this section.~~

7

8 NEW SECTION. SECTION 3. HEALTH RISK ANALYSIS. (1) WITHIN 1 YEAR OF A PROGRAM PARTICIPANT'S  
9 ENROLLMENT IN THE PROGRAM, THE DEPARTMENT SHALL USE AVAILABLE CLAIMS DATA AND OTHER INFORMATION  
10 COLLECTED DIRECTLY FROM THE PARTICIPANT TO ASSESS WHETHER THE PARTICIPANT WOULD BE BETTER SERVED IN A  
11 COORDINATED CARE OR OTHER TREATMENT MODEL APPROVED BY THE DEPARTMENT.

12 (2) COORDINATED CARE MODELS MAY INCLUDE BUT ARE NOT LIMITED TO A:

13 (A) MEDICAID HEALTH HOME;

14 (B) PATIENT-CENTERED OR ADVANCED PRIMARY CARE MEDICAL HOME;

15 (C) SUBSTANCE USE DISORDER OR MENTAL HEALTH TREATMENT OR OTHER TREATMENT OR PREVENTION  
16 PROGRAMS;

17 (D) CARE COORDINATION PROGRAM;

18 (E) TRIBAL HEALTH IMPROVEMENT PROGRAM; OR

19 (F) PRIMARY CARE CASE MANAGEMENT ARRANGEMENT.

20 (3) THE DEPARTMENT IS NOT REQUIRED TO COMPLETE A SEPARATE ANALYSIS FOR A PARTICIPANT WHO:

21 (A) IS ALREADY BEING SERVED THROUGH A COORDINATED CARE MODEL LISTED IN SUBSECTION (2); OR

22 (B) HAS RECEIVED PRIMARY CARE OR PREVENTATIVE CARE SERVICES WITHIN THE LAST 12 MONTHS.

23

24 NEW SECTION. Section 4. Disenrollment for failure to report change in circumstances. (1) (a) A  
25 program participant shall report to the department a permanent increase in income that would affect the  
26 participant's eligibility for the program. The change must be reported within ~~40~~ 30 days of the change in income.

27 (b) A short-term increase in income that is caused by overtime pay or other nonregular payments and  
28 that will not be sustained over time does not qualify as a permanent increase in income for the purposes of this  
29 section.

30 (2) Disenrollment may occur only after the state conducts an administrative review and determines the



1 participant is ineligible for medicaid coverage under any eligibility category.

2 ~~(3) Except as provided in subsection (4), a program participant who is disenrolled for failure to report an~~  
3 ~~increase in income is prohibited from applying for reenrollment under this part for 6 months.~~

4 ~~————(4) A disenrolled individual is eligible for early reenrollment at any time before the end of the 6-month~~  
5 ~~noneligibility period if required by:~~

6 ~~————(a) federal law or regulation; or~~

7 ~~————(b) the special terms and conditions of any waiver approved by the centers for medicare and medicaid~~  
8 ~~services for carrying out the provisions of this part.~~

9

10 **NEW SECTION. Section 5. Montana HELP Act special revenue account.** (1) There is a Montana  
11 HELP Act account in the state special revenue fund to the credit of the department.

12 (2) Money from the following sources must be deposited in the account:

13 (a) the taxpayer integrity fees provided for in 15-30-2660;

14 (b) the outpatient hospital utilization fee provided for in 15-66-102(3)(b);

15 ~~(c) the premium tax paid under 33-2-705 by the state fund provided for in 39-71-2313;~~

16 ~~(d)(c)~~ the health service corporation fee provided for in [section 8 6]; and

17 ~~(e)(d)~~ premiums paid by members pursuant to 53-6-1307.

18 (3) Money in the account must be used to pay for:

19 (a) the state share of costs, including benefits and administrative costs, of providing health care services  
20 under this part; and

21 (b) grants made under the HELP Act employer grant program provided for in [section 9 7].

22 (4) Money from the account must be used for the benefits and administrative costs of providing health  
23 care services under this part before any general fund is expended on the costs.

24

25 ~~————**NEW SECTION. Section 7. Health care provider negligence claims prohibited when using medical**~~  
26 ~~**judgment.** (1) A health care provider, including a provider practicing telemedicine as defined in 37-3-102, may~~  
27 ~~not be found negligent in a medical malpractice claim if in exercising the health care provider's medical judgment~~  
28 ~~the provider:~~

29 ~~————(a) selects a reasonably prudent course of treatment, after discussion with the patient or the patient's~~  
30 ~~guardian or representative, if applicable; and~~

- 1 ~~\_\_\_\_\_ (b) includes the documented rationale for the decision in the patient's medical record.~~
- 2 ~~\_\_\_\_\_ (2) For the purposes of this section, a selected course of treatment may be reasonably prudent even if~~  
 3 ~~it ultimately was not successful or the patient did not experience the desired outcome or result.~~
- 4 ~~\_\_\_\_\_ (3) This section may not be construed to impose any additional duties on a health care provider.~~
- 5 ~~\_\_\_\_\_ (4) As used in this section, the following definitions apply:~~
- 6 ~~\_\_\_\_\_ (a) "Documented rationale" means a brief statement written by a health care provider at the time of~~  
 7 ~~treatment that includes the provider's medical rationale for prescribing or not prescribing, recommending or not~~  
 8 ~~recommending, or ordering or not ordering a given test, procedure, treatment, consultation, or other therapeutic~~  
 9 ~~intervention.~~
- 10 ~~\_\_\_\_\_ (b) "Health care provider" means:~~
- 11 ~~\_\_\_\_\_ (i) a physician, dentist, podiatrist, optometrist, advanced practice registered nurse, or physician assistant~~  
 12 ~~licensed under Title 37; or~~
- 13 ~~\_\_\_\_\_ (ii) a health care facility licensed under Title 50, chapter 5.~~

14

15 **NEW SECTION. Section 6. Health service corporation fee.** (1) An authorized health service  
 16 corporation as defined in 33-30-101 shall file with the commissioner, on or before March 1 of each year, a report  
 17 in a format prescribed by the commissioner showing the total direct premium income DURING THE PRECEDING  
 18 CALENDAR YEAR from all sources after deducting from the income applicable cancellations, returned premiums,  
 19 or the amount of reduction in or refund of premiums.

20 (2) At the time the report is filed, and subject to 33-2-709, the health service corporation shall pay a fee  
 21 to the commissioner on net premium income computed at the rate of 1%.

22 (3) If a health service corporation fails to pay the fee required under this section, the commissioner may:

- 23 (a) suspend or revoke the certificate of authority for the health service corporation; and  
 24 (b) impose a fine of \$100 plus interest on the delinquent amount at an annual interest rate of 12%.

25 (4) The commissioner may provide by rule a quarterly schedule for the payment of the fee.

26 (5) The commissioner shall deposit money collected from the fee into the Montana HELP Act special  
 27 revenue account provided for in [section 6 5].

28 (6) The fee required under this section applies to a formerly authorized health service corporation ~~with~~  
 29 ~~respect to premiums~~ IF THE CORPORATION received PREMIUMS DURING THE PRECEDING CALENDAR YEAR while DOING  
 30 BUSINESS AS an authorized health service corporation in this state.

1  
2           **NEW SECTION. Section 7. Montana HELP Act employer grant program.** (1) There is a Montana  
3 HELP Act employer grant program to encourage employers to hire or train program participants in skills that will  
4 allow them to:

- 5           (a) obtain new or improved employment;  
6           (b) obtain employment with health care benefits;  
7           (c) earn a wage that allows them to purchase their own health insurance coverage; or  
8           (d) improve their long-term financial security.

9           (2) The department shall establish criteria for awarding grants. The criteria must take into consideration,  
10 at a minimum, the number of program participants affected and the likelihood that the proposed grant activity will  
11 improve:

- 12           (a) the chances that program participants will succeed in obtaining employment meeting the goals of  
13 subsection (1); or  
14           (b) the financial security of program participants through efforts that include:  
15           (i) financial and credit counseling; and  
16           (ii) educational opportunities related to managing finances and setting and reaching financial goals.

17           (3) The department shall adopt rules establishing grant application, evaluation, and award criteria and  
18 processes.

19  
20           **SECTION 8. SECTION 15-30-2618, MCA, IS AMENDED TO READ:**

21           **"15-30-2618. Confidentiality of tax records.** (1) Except as provided in 5-12-303, 15-1-106, 17-7-111,  
22 and subsections ~~(8)~~ and (7) through (9) of this section, in accordance with a proper judicial order, or as otherwise  
23 provided by law, it is unlawful to divulge or make known in any manner:

- 24           (a) the amount of income or any particulars set forth or disclosed in any individual report or individual  
25 return required under this chapter or any other information secured in the administration of this chapter; or  
26           (b) any federal return or federal return information disclosed on any return or report required by rule of  
27 the department or under this chapter.

28           (2) (a) The officers charged with the custody of the reports and returns may not be required to produce  
29 them or evidence of anything contained in them in an action or proceeding in a court, except in an action or  
30 proceeding:

1 (i) to which the department is a party under the provisions of this chapter or any other taxing act; or  
2 (ii) on behalf of a party to any action or proceedings under the provisions of this chapter or other taxes  
3 when the reports or facts shown by the reports are directly involved in the action or proceedings.

4 (b) The court may require the production of and may admit in evidence only as much of the reports or  
5 of the facts shown by the reports as are pertinent to the action or proceedings.

6 (3) This section does not prohibit:

7 (a) the delivery to a taxpayer or the taxpayer's authorized representative of a certified copy of any return  
8 or report filed in connection with the taxpayer's tax;

9 (b) the publication of statistics classified to prevent the identification of particular reports or returns and  
10 the items of particular reports or returns; or

11 (c) the inspection by the attorney general or other legal representative of the state of the report or return  
12 of any taxpayer who brings an action to set aside or review the tax based on the report or return or against whom  
13 an action or proceeding has been instituted in accordance with the provisions of 15-30-2630.

14 (4) The department may deliver to a taxpayer's spouse the taxpayer's return or information related to  
15 the return for a tax year if the spouse and the taxpayer filed the return with the filing status of married filing  
16 separately on the same return. The information being provided to the spouse or reported on the return, including  
17 subsequent adjustments or amendments to the return, must be treated in the same manner as if the spouse and  
18 the taxpayer filed the return using a joint filing status for that tax year.

19 (5) Reports and returns must be preserved for at least 3 years and may be preserved until the  
20 department orders them to be destroyed.

21 (6) Any offense against subsections (1) through (5) is punishable by a fine not exceeding \$500. If the  
22 offender is an officer or employee of the state, the offender must be dismissed from office or employment and  
23 may not hold any public office or public employment in this state for a period of 1 year after dismissal or, in the  
24 case of a former officer or employee, for 1 year after conviction.

25 (7) This section may not be construed to prohibit the department from providing taxpayer return  
26 information and information from employers' payroll withholding reports to:

27 (a) the department of labor and industry to be used for the purpose of investigation and prevention of  
28 noncompliance, tax evasion, fraud, and abuse under the unemployment insurance laws; ~~or~~

29 (b) the state fund to be used for the purpose of investigation and prevention of noncompliance, fraud,  
30 and abuse under the workers' compensation program; or

1           (c) the department of public health and human services to verify, as required under 53-6-133, the income  
2 reported by applicants for medical assistance.

3           (8) The department may permit the commissioner of internal revenue of the United States or the proper  
4 officer of any state imposing a tax on the incomes of individuals or the authorized representative of either officer  
5 to inspect the return of income of any individual or may furnish to the officer or an authorized representative an  
6 abstract of the return of income of any individual or supply the officer with information concerning an item of  
7 income contained in a return or disclosed by the report of an investigation of the income or return of income of  
8 an individual, but the permission may be granted or information furnished only if the statutes of the United States  
9 or of the other state grant substantially similar privileges to the proper officer of this state charged with the  
10 administration of this chapter.

11           (9) On written request to the director or a designee of the director, the department shall furnish:

12           (a) to the department of justice all information necessary to identify those persons qualifying for the  
13 additional exemption for blindness pursuant to 15-30-2114(4), for the purpose of enabling the department of  
14 justice to administer the provisions of 61-5-105;

15           (b) to the department of public health and human services information acquired under 15-30-2616,  
16 pertaining to an applicant for public assistance, reasonably necessary for the prevention and detection of public  
17 assistance fraud and abuse, provided notice to the applicant has been given;

18           (c) to the department of labor and industry:

19           (i) for the purpose of prevention and detection of fraud and abuse in and eligibility for benefits under the  
20 unemployment compensation and workers' compensation programs, information on whether a taxpayer who is  
21 the subject of an ongoing investigation by the department of labor and industry is an employee, an independent  
22 contractor, or self-employed; and

23           (ii) for the purpose of administering the apprenticeship tax credit provided for in 39-6-109, employer and  
24 apprentice information necessary to implement 15-30-2357, 15-31-173, and 39-6-109;

25           (d) to the department of fish, wildlife, and parks specific information that is available from income tax  
26 returns and required under 87-2-102 to establish the residency requirements of an applicant for hunting and  
27 fishing licenses;

28           (e) to the board of regents information required under 20-26-1111;

29           (f) to the legislative fiscal analyst and the office of budget and program planning individual income tax  
30 information as provided in 5-12-303, 15-1-106, and 17-7-111. The information provided to the office of budget

1 and program planning must be the same as the information provided to the legislative fiscal analyst.

2 (g) to the department of transportation farm income information based on the most recent income tax  
3 return filed by an applicant applying for a refund under 15-70-430, provided that notice to the applicant has been  
4 given as provided in 15-70-430. The information obtained by the department of transportation is subject to the  
5 same restrictions on disclosure as are individual income tax returns.

6 (h) to the department of commerce tax information about a taxpayer whose debt is assigned to the  
7 department of revenue for offset or collection pursuant to the terms of Title 17, chapter 4, part 1. The information  
8 provided to the department of commerce must be used for the purposes of preventing and detecting fraud or  
9 abuse and determining eligibility for grants or loans.

10 (i) to the superintendent of public instruction information required under 20-9-905. (Subsection (9)(i)  
11 terminates December 31, 2023--sec. 33, Ch. 457, L. 2015.)"

12

13 **Section 9.** Section 15-30-2660, MCA, is amended to read:

14 **"15-30-2660. (Temporary) Taxpayer integrity fee fees.** (1) (a) The department shall assess a fee as  
15 provided in subsection (2) for a taxpayer who:

16 ~~\_\_\_\_\_~~ (a) is a participant in the Montana Health and Economic Livelihood Partnership Act provided for in Title  
17 53, chapter 6, part 13, and Title 39, chapter 12; and owns:

18 ~~(b) has assets that exceed:~~

19 ~~(i) a primary residence and attached property EQUITY IN real property or improvements to real property,~~  
20 ~~or both, valued above THAT EXCEEDS the limit established for homesteads under 70-32-104 BY \$5,000 OR MORE,~~  
21 ~~if the real property is not agricultural land;~~

22 ~~(ii) more than one light vehicle, and the additional vehicles have a WHEN THE combined depreciated value~~  
23 ~~of the manufacturer's suggested retail price of TOTALS \$20,000 OR MORE AND THE PARTICIPANT'S EQUITY IN THE~~  
24 ~~VEHICLES EXCEEDS THAT COMBINED DEPRECIATED VALUE BY \$5,000 OR MORE; and or~~

25 ~~(iii) a total of \$50,000 in cash and cash equivalent~~

26 ~~(iii) agricultural land with a taxable value in excess of \$1,500 a year.~~

27 ~~(b) For the purposes of subsection (1)(a)(ii):~~

28 ~~(i) "REAL PROPERTY OR IMPROVEMENTS TO REAL PROPERTY" DOES NOT INCLUDE PROPERTY HELD IN TRUST BY~~  
29 ~~THE UNITED STATES FOR THE BENEFIT OF A MONTANA FEDERALLY RECOGNIZED INDIAN TRIBE; AND~~

30 ~~(ii) the depreciated value of the manufacturer's suggested retail price must be computed as provided in~~

1 61-3-503(2).

2 (2) The fee is \$100 a month plus an amount equal to an additional \$4 a month for:

3 (a) each \$1,000 in ~~assets above the amounts established in subsection (1)(b)~~ EQUITY value above the  
4 limit LIMITS established for homesteads under 70-32-104, if the individual has real property or improvements to  
5 real property, or both, that exceed the value for homesteads; IN SUBSECTIONS (1)(A)(I) AND (1)(A)(II); AND

6 ~~(b) each \$1,000 above the combined depreciated value allowed for vehicles in subsection (1)(a)(ii), if~~  
7 ~~the taxpayer owns more than one vehicle; and~~

8 ~~(c)(B) each \$100 of taxable value of any IN agricultural land the taxpayer owns in excess of the taxable~~  
9 ~~value threshold provided in subsection (1)(a)(iii) ABOVE \$1,500.~~

10 (3) (a) The department shall assess a fee for an entity organized under 26 U.S.C. 501(d) and subject to  
11 taxes as provided in Title 15, chapter 31, if the entity has members who are receiving medicaid coverage under  
12 Title 53, chapter 6, part 13.

13 (b) The fee is equal to the state's share of the average annual cost per program participant, as defined  
14 in 53-6-1303, multiplied by the number of individuals in the 26 U.S.C. 501(d) organization who are receiving  
15 medicaid coverage because they are eligible under 53-6-1304, less the total annual amount the entity's members  
16 have paid in premiums.

17 (4) (a) For the purposes of calculating the fee required under subsection (3), the department of public  
18 health and human services shall provide the department of revenue by February 1 of each year with:

19 (i) the percentage of medicaid claims costs of program participants for which the state was responsible  
20 in the previous calendar year; and

21 (ii) the average annual cost of medical claims for program participants in the previous calendar year.

22 (b) The department of public health and human services shall post the average annual cost for a  
23 program participant on the department's website by February 15 of each year.

24 (5) An organization shall pay the fee provided for in subsection (3) as follows:

25 (a) on or before the last day of each month, the organization shall pay an estimated fee equal to  
26 one-twelfth of the most recently published annual cost per program participant; and

27 (b) on or before April 15 of each year, the organization shall report and pay any additional amount owed  
28 for the prior year or request a refund of any overpayment made in the prior year.

29 ~~(3)(6)~~ (a) The department of public health and human services shall coordinate with provide the  
30 department of public health and human services to obtain the information necessary to administer revenue with

1 the names of program participants and other necessary information to assist the department of revenue in  
 2 administering and enforcing this section.

3 (b) The department of justice shall provide the department of revenue with vehicle registration  
 4 information for the administration of this section.

5 ~~(4)(7)~~ Fees collected pursuant to this section must be deposited in the general fund Montana HELP Act  
 6 special revenue account provided for in [section 6 5].

7 ~~(5)(8)~~ The A fee remains until paid and may be collected through assessments against future income  
 8 tax returns or through a civil action initiated by the state.

9 ~~(6)(9)~~ For the purposes of this section, the following definitions apply:

10 ~~(a) (i) "Cash equivalent" means cash, including any money issued by the United States or by the~~  
 11 ~~sovereign government of another country, and, if reasonably convertible into cash with 1 year:~~

12 ~~—— (A) personal property, including but not limited to vehicles, precious metal as defined in 30-10-103,~~  
 13 ~~jewelry, artwork, and gemstones; and~~

14 ~~—— (B) personal property, including but not limited to certificates of deposit, certificates of stock, government~~  
 15 ~~or corporate bonds or notes, promissory notes, licenses, copyrights, patents, trademarks, contracts, software,~~  
 16 ~~and franchises.~~

17 ~~—— (ii) Real estate and improvements to real estate are not cash equivalents.~~

18 (a) (i) "Agricultural land" means agricultural land as described in 15-7-202 that is taxed as class three  
 19 property at the rate provided in 15-6-133.

20 (ii) The term does not include:

21 (A) parcels of land that are considered nonqualified agricultural land as provided in 15-6-133(1)(c) or;

22 (B) improvements to real property; OR

23 (C) LAND HELD IN TRUST BY THE UNITED STATES FOR THE BENEFIT OF A MONTANA FEDERALLY RECOGNIZED  
 24 INDIAN TRIBE.

25 (b) "Light vehicle" has the meaning provided in 61-1-101.

26 (c) "Manufacturer's suggested retail price" has the meaning provided in 61-3-503(3). ~~(Terminates June~~  
 27 ~~30, 2019--sec. 28, Ch. 368, L. 2015.)"~~

28

29 **SECTION 10. SECTION 15-31-511, MCA, IS AMENDED TO READ:**

30 **"15-31-511. Confidentiality of tax records. (1) Except as provided in this section, in accordance with**



1 a proper judicial order, or as otherwise provided by law, it is unlawful to divulge or make known in any manner:

2 (a) the amount of income or any particulars set forth or disclosed in any return or report required under  
3 this chapter or any other information relating to taxation secured in the administration of this chapter; or

4 (b) any federal return or information in or disclosed on a federal return or report required by law or rule  
5 of the department under this chapter.

6 (2) (a) An officer or employee charged with custody of returns and reports required by this chapter may  
7 not be ordered to produce any of them or evidence of anything contained in them in any administrative  
8 proceeding or action or proceeding in any court, except:

9 (i) in an action or proceeding in which the department is a party under the provisions of this chapter; or

10 (ii) in any other tax proceeding or on behalf of a party to an action or proceeding under the provisions of  
11 this chapter when the returns or reports or facts shown in them are directly pertinent to the action or proceeding.

12 (b) If the production of a return, report, or information contained in them is ordered, the court shall limit  
13 production of and the admission of returns, reports, or facts shown in them to the matters directly pertinent to the  
14 action or proceeding.

15 (3) This section does not prohibit:

16 (a) the delivery of a certified copy of any return or report filed in connection with a return to the taxpayer  
17 who filed the return or report or to the taxpayer's authorized representative;

18 (b) the publication of statistics prepared in a manner that prevents the identification of particular returns,  
19 reports, or items from returns or reports;

20 (c) the inspection of returns and reports by the attorney general or other legal representative of the state  
21 in the course of an administrative proceeding or litigation under this chapter;

22 (d) access to information under subsection (4);

23 (e) the director of revenue from permitting a representative of the commissioner of internal revenue of  
24 the United States or a representative of a proper officer of any state imposing a tax on the income of a taxpayer  
25 to inspect the returns or reports of a corporation. The department may also furnish those persons abstracts of  
26 income, returns, and reports; information concerning any item in a return or report; and any item disclosed by an  
27 investigation of the income or return of a corporation. The director of revenue may not furnish that information  
28 to a person representing the United States or another state unless the United States or the other state grants  
29 substantially similar privileges to an officer of this state charged with the administration of this chapter.

30 (4) On written request to the director or a designee of the director, the department shall:

1 (a) allow the inspection of returns and reports by the legislative auditor, but the information furnished to  
 2 the legislative auditor is subject to the same restrictions on disclosure outside that office as provided in subsection  
 3 (1);

4 (b) provide corporate income tax and alternative corporate income tax information, including any  
 5 information that may be required under Title 15, chapter 30, part 33, to the legislative fiscal analyst, as provided  
 6 in 5-12-303 or 15-1-106, and the office of budget and program planning, as provided in 15-1-106 or 17-7-111.  
 7 The information furnished to the legislative fiscal analyst and the office of budget and program planning is subject  
 8 to the same restrictions on disclosure outside those offices as provided in subsection (1).

9 (c) provide to the department of commerce tax information about a taxpayer whose debt is assigned to  
 10 the department of revenue for offset or collection pursuant to the terms of Title 17, chapter 4, part 1. The  
 11 information provided to the department of commerce must be used for the purposes of preventing and detecting  
 12 fraud or abuse and determining eligibility for grants or loans.

13 (d) furnish to the superintendent of public instruction information required under 20-9-905;

14 (e) exchange with the department of labor and industry taxpayer and apprentice information necessary  
 15 to implement 15-30-2357, 15-31-173, and 39-6-109; and

16 (f) provide the department of public health and human services with the information necessary to verify,  
 17 as required under 53-6-133, the income reported by an applicant for medical assistance.

18 (5) A person convicted of violating this section shall be fined not to exceed \$500. If a public officer or  
 19 public employee is convicted of violating this section, the person is dismissed from office or employment and may  
 20 not hold any public office or public employment in the state for a period of 1 year after dismissal or, in the case  
 21 of a former officer or employee, for 1 year after conviction. (Subsection (4)(d) terminates December 31,  
 22 2023--sec. 33, Ch. 457, L. 2015.)"

23

24 **Section 11.** Section 15-66-101, MCA, is amended to read:

25 **"15-66-101. (Temporary) Definitions.** For purposes of this chapter, the following definitions apply:

26 (1) (a) "Hospital" ~~means a facility licensed as a hospital pursuant to Title 50, chapter 5, has the meaning~~  
 27 provided in 50-5-101 and includes a critical access hospital as defined in 50-5-101.

28 (b) The term does not include the Montana state hospital or a government hospital not owned by the  
 29 state HOSPITAL OR FACILITY OPERATED BY THE STATE, A POLITICAL SUBDIVISION OF THE STATE, THE UNITED STATES, OR  
 30 AN INDIAN TRIBE OR ANY FACILITY AUTHORIZED UNDER THE INDIAN HEALTH CARE IMPROVEMENT ACT.

1           (2) (a) "Hospital outpatient revenue" means the gross revenue from a hospital's charges for services  
2 provided on an outpatient basis.

3           (b) The term does not include charges for professional services provided as part of the outpatient  
4 treatment.

5           (2)(3) (a) "Inpatient bed day" means a day of inpatient care provided to a patient in a hospital. A day  
6 begins at midnight and ends 24 hours later. A part of a day, including the day of admission, counts as a full day.  
7 The day of discharge or death is not counted as a day. If admission and discharge or death occur on the same  
8 day, the day is considered a day of admission and is counted as one inpatient bed day. Inpatient bed days include  
9 all inpatient hospital benefit days as defined for medicare reporting purposes in section 20.1 of chapter 3 of the  
10 centers for medicare and medicaid services publication 100-02, the Medicare Benefit Policy Manual. Inpatient  
11 bed days also include all nursery days during which a newborn infant receives care in a nursery.

12           (b) The term does not include observation days or days of care in a swing bed, as defined in 50-5-101.

13           (3)(4) "Patient" means an individual obtaining skilled medical and nursing services in a hospital. The term  
14 includes newborn infants.

15           (4)(5) "Report" means the report of inpatient bed days and hospital outpatient revenue required in  
16 15-66-201.

17           (5)(6) "Utilization fee" or "fee" means the fee fees required to be paid ~~for each inpatient bed day~~, as  
18 provided in 15-66-102. (Void on occurrence of contingency--sec. 18, Ch. 390, L. 2003--see chapter compiler's  
19 comment.)"

20

21           **Section 12.** Section 15-66-102, MCA, is amended to read:

22           **"15-66-102. (Temporary) Utilization fee for fees -- inpatient bed days -- hospital outpatient**  
23 **revenue.** (1) Each hospital in the state shall pay to the department a utilization fee in the amount of ~~\$50~~ \$70 for  
24 each inpatient bed day.

25           (2) Each hospital shall pay to the department a utilization fee in the amount of ~~0.825%~~ 0.90% of hospital  
26 outpatient revenue.

27           (2)(3) (a) ~~All~~ Except as provided in subsection (3)(b), all proceeds from the collection of utilization fees,  
28 including penalties and interest, must, in accordance with the provisions of 17-2-124, be deposited to the credit  
29 of the department of public health and human services in a the state special revenue account ~~as~~ provided for in  
30 53-6-149.

1           **(b)** The department shall deposit 50% 54% of the amount paid in accordance with subsection (2) in the  
2 Montana HELP Act special revenue account provided for in [section 6 5]. (Void on occurrence of  
3 contingency--sec. 18, Ch. 390, L. 2003--see chapter compiler's comment.)"

4

5           **Section 13.** Section 15-66-103, MCA, is amended to read:

6           **"15-66-103. (Temporary) Relation to other taxes and fees.** The utilization ~~fee~~ fees imposed under  
7 15-66-102 ~~is~~ are in addition to any other taxes and fees required to be paid by hospitals. (Void on occurrence of  
8 contingency--sec. 18, Ch. 390, L. 2003--see chapter compiler's comment.)"

9

10           **Section 14.** Section 15-66-201, MCA, is amended to read:

11           **"15-66-201. (Temporary) Reporting and collection of fee fees.** (1) On or before ~~January~~ March 31  
12 of each year, a hospital shall file with the department an annual report of the number of inpatient bed days and  
13 of hospital outpatient revenue during the preceding year beginning January 1 and ending December 31. The  
14 report must be in the form prescribed by the department. The report must be accompanied by a payment in an  
15 amount equal to the ~~fee~~ fees required to be paid under 15-66-102.

16           (2) On or before January 31 of each year, the department of public health and human services shall  
17 provide the department with a list of hospitals licensed and operating in the state and subject to the provisions  
18 of 15-66-102 during the preceding year beginning January 1 and ending December 31. (Void on occurrence of  
19 contingency--sec. 18, Ch. 390, L. 2003--see chapter compiler's comment.)"

20

21           **Section 15.** Section 15-66-202, MCA, is amended to read:

22           **"15-66-202. (Temporary) Audit -- records.** (1) The department may audit the records and other  
23 documents of any hospital to ensure that the proper utilization ~~fee~~ fees ~~has~~ have been collected.

24           (2) The department may require the hospital to provide records and other documentation, including  
25 books, ledgers, and registers, necessary for the department to verify the proper amount of the utilization fee paid.

26           (3) A hospital shall maintain and make available for inspection by the department sufficient records and  
27 other documentation to demonstrate the number of inpatient bed days in the facility and the hospital outpatient  
28 revenue subject to the utilization ~~fee~~ fees. The facility shall maintain these records for a period of at least 5 years  
29 from the date the report is due. (Void on occurrence of contingency--sec. 18, Ch. 390, L. 2003--see chapter  
30 compiler's comment.)"

1

2           **Section 16.** Section 15-66-203, MCA, is amended to read:

3           **"15-66-203. (Temporary) Periods of limitation.** (1) Except as otherwise provided in this section, a  
4 deficiency may not be assessed or collected with respect to the year for which a report is filed unless the notice  
5 of additional fees proposed to be assessed is mailed within 5 years from the date the report was filed. For the  
6 purposes of this section, a report filed before the last day prescribed for filing is considered filed on the last day.  
7 If, before the expiration of the period prescribed for assessment of the ~~fee~~ fees, the hospital consents in writing  
8 to an assessment after the 5-year period, the ~~fee~~ fees may be assessed at any time prior to the expiration of the  
9 period agreed upon.

10           (2) A refund or credit may not be paid or allowed with respect to the year for which a report is filed after  
11 5 years from the last day prescribed for filing the report or after 1 year from the date of the overpayment,  
12 whichever period expires later, unless before the expiration of the period, the hospital files a claim or the  
13 department has determined the existence of the overpayment and has approved the refund or credit. If the  
14 hospital has agreed in writing under the provisions of subsection (1) to extend the time within which the  
15 department may propose an additional assessment, the period within which a claim for refund or credit is filed  
16 or a credit or refund is allowed if a claim is not filed is automatically extended. (Void on occurrence of  
17 contingency--sec. 18, Ch. 390, L. 2003--see chapter compiler's comment.)"

18

19           **Section 17.** Section 15-66-204, MCA, is amended to read:

20           **"15-66-204. (Temporary) Penalty and interest for delinquent fees -- waiver.** If the ~~fee~~ fees for any  
21 hospital ~~is~~ are not paid on or before the due date of the report as provided in 15-66-201, penalty and interest, as  
22 provided in 15-1-216, must be added to the ~~fee~~ fees. (Void on occurrence of contingency--sec. 18, Ch. 390, L.  
23 2003--see chapter compiler's comment.)"

24

25           **Section 18.** Section 15-66-205, MCA, is amended to read:

26           **"15-66-205. (Temporary) ~~Estimated fee on failure to file~~ Department authority to request**  
27 **information.** For the purpose of ascertaining the correctness of any report or for the purpose of making an  
28 estimate of inpatient bed day use or hospital outpatient revenue of any hospital for which information has been  
29 obtained, the department may:

30           (1) examine or cause to have examined by any designated agent or representative any books, papers,

1 records, or memoranda bearing ~~upon~~ on the matters required to be included in the report;

2 (2) require the attendance of any officer or employee of the facility rendering the report or the attendance  
3 of any other person in the premises having relevant knowledge; and

4 (3) take testimony and require production of any other material for its information. (Void on occurrence  
5 of contingency--sec. 18, Ch. 390, L. 2003--see chapter compiler's comment.)"

6

7 **SECTION 19. SECTION 17-7-301, MCA, IS AMENDED TO READ:**

8 **"17-7-301. Authorization to expend during first year of biennium from appropriation for second**

9 **year -- proposed supplemental appropriation defined -- limit on second-year expenditures.** (1) An agency

10 may make expenditures during the first fiscal year of the biennium from appropriations for the second fiscal year

11 of the biennium if authorized by the general appropriations act. An agency that is not authorized in the general

12 appropriations act or in [House Bill No. 658] to make first-year expenditures may be granted spending

13 authorization by the approving authority upon submission and approval of a proposed supplemental appropriation

14 to the approving authority. The proposal submitted to the approving authority must include a plan for reducing

15 expenditures in the second year of the biennium that allows the agency to contain expenditures within

16 appropriations. If the approving authority finds that, due to an unforeseen and unanticipated emergency, the

17 amount actually appropriated for the first fiscal year of the biennium with all other income will be insufficient for

18 the operation and maintenance of the agency during the year for which the appropriation was made, the

19 approving authority shall, after careful study and examination of the request and upon review of the

20 recommendation for executive branch proposals by the budget director, submit the proposed supplemental

21 appropriation to the legislative fiscal analyst.

22 (2) The plan for reducing expenditures required by subsection (1) is not required if the proposed  
23 supplemental appropriation is:

24 (a) due to an unforeseen and unanticipated emergency for fire suppression;

25 (b) requested by the superintendent of public instruction, in accordance with the provisions of 20-9-351,

26 and is to complete the state's funding of guaranteed tax base aid, transportation aid, or equalization aid to

27 elementary and secondary schools for the current biennium; ~~or~~

28 (c) requested by the department of public health and human services when the expenditures for the

29 approved level of medicaid expansion benefits exceed the level of the appropriations for medicaid expansion

30 benefits; or

1           ~~(e)~~(d) requested by the attorney general and:

2           (i) is to pay the costs associated with litigation in which the department of justice is required to provide  
3 representation to the state of Montana; or

4           (ii) in accordance with the provisions of 7-32-2242, is to pay costs for which the department of justice is  
5 responsible for confinement of an arrested person in a detention center.

6           (3) Upon receipt of the recommendation of the legislative finance committee pursuant to 17-7-311, the  
7 approving authority may authorize an expenditure during the first fiscal year of the biennium to be made from the  
8 appropriation for the second fiscal year of the biennium. Except as provided in subsection (2), the approving  
9 authority shall require the agency to implement the plan for reducing expenditures in the second year of the  
10 biennium that contains agency expenditures within appropriations.

11           (4) The agency may expend the amount authorized by the approving authority only for the purposes  
12 specified in the authorization.

13           (5) The approving authority shall report to the next legislature in a special section of the budget the  
14 amounts expended as a result of all authorizations granted by the approving authority and shall request that any  
15 necessary supplemental appropriation bills be passed.

16           (6) As used in this part, "proposed supplemental appropriation" means an application for authorization  
17 to make expenditures during the first fiscal year of the biennium from appropriations for the second fiscal year  
18 of the biennium.

19           (7) (a) Except as provided in subsections (2) and (7)(b), an agency may not make expenditures in the  
20 second year of the biennium that, if carried on for the full year, will require a deficiency appropriation, commonly  
21 referred to as a "supplemental appropriation".

22           (b) An agency shall prepare and, to the extent feasible, implement a plan for reducing expenditures in  
23 the second year of the biennium that contains agency expenditures within appropriations. The approving authority  
24 is responsible for ensuring the implementation of the plan. If, in the second year of a biennium, mandated  
25 expenditures that are required by state or federal law will cause an agency to exceed appropriations or available  
26 funds, the agency shall reduce all nonmandated expenditures pursuant to the plan in order to reduce to the  
27 greatest extent possible the expenditures in excess of appropriations or funding. An agency may not transfer  
28 funds between fund types in order to implement a plan."

29

30           **SECTION 20. SECTION 17-7-311, MCA, IS AMENDED TO READ:**

1           **"17-7-311. Proposed fiscal year transfer supplemental appropriation -- procedure.** (1) A proposed  
2 supplemental appropriation to transfer appropriations between fiscal years of a biennium and all supporting  
3 documentation must be submitted to the legislative fiscal analyst. The governor may not approve a proposed  
4 fiscal year transfer supplemental appropriation until the governor receives the legislative finance committee's  
5 written report for that proposed fiscal year transfer supplemental appropriation unless:

6           (a) the report is not received within 90 calendar days from the date the proposed fiscal year transfer  
7 supplemental appropriation and supporting documentation were forwarded to the legislative finance committee,  
8 in which case the governor may approve the proposed fiscal year transfer supplemental appropriation; or

9           (b) there has been a waiver of the review and report requirements, as provided in subsection (4).

10           (2) The legislative fiscal analyst shall review each proposed fiscal year transfer supplemental  
11 appropriation submitted by the governor for compliance with statutory requirements and standards and to  
12 determine the expenditures that will be reduced in order to contain spending within legislative appropriations. The  
13 legislative fiscal analyst shall present a written report of this review to the legislative finance committee. Within  
14 10 days after the legislative finance committee's consideration of the proposed fiscal year transfer supplemental  
15 appropriation, the legislative fiscal analyst shall submit the legislative finance committee's report to the governor.

16           (3) Upon receipt of the legislative finance committee's written report, the governor may approve or deny  
17 the proposed fiscal year transfer supplemental appropriation or may return the proposed fiscal year transfer  
18 supplemental appropriation to the requesting agency for further information. If the governor has returned the  
19 proposed fiscal year transfer supplemental appropriation to the requesting agency and the requesting agency  
20 resubmits the proposed fiscal year transfer supplemental appropriation to the governor, all procedures provided  
21 in this section apply to the resubmitted proposed fiscal year transfer supplemental appropriation.

22           (4) (a) If an emergency occurs that poses a serious threat to the life, health, or safety of the public, the  
23 legislative fiscal analyst may waive the written review and the legislative finance committee's written report  
24 required by this section. After a waiver, the legislative fiscal analyst may complete the written review.

25           (b) Upon receipt of the waiver, the governor may approve the proposed fiscal year transfer supplemental  
26 appropriation.

27           (c) A waiver affects only the legislative fiscal analyst's written review and the legislative finance  
28 committee's written report on the proposed fiscal year transfer supplemental appropriation. All other proposed  
29 fiscal year transfer supplemental appropriation requirements and standards remain in effect.

30           (5) Nothing in this part confers on the legislative finance committee authority to approve or deny a



1 proposed fiscal year transfer supplemental appropriation.

2 (6) For the biennium beginning July 1, 2019, the provisions of this section do not apply to a supplemental  
 3 appropriation transfer for the department of public health and human services if the expenditures for the approved  
 4 level of medicaid expansion benefits exceed the level of the appropriations for medicaid expansion benefits. Prior  
 5 to approving a supplemental appropriation transfer for the department in that circumstance, the governor shall  
 6 notify the legislative fiscal analyst in writing and shall subsequently report to the legislative finance committee on  
 7 the dollar amount of the supplemental appropriation by September 30, 2020."

8

9 **Section 21.** Section 17-7-502, MCA, is amended to read:

10 **"17-7-502. Statutory appropriations -- definition -- requisites for validity.** (1) A statutory  
 11 appropriation is an appropriation made by permanent law that authorizes spending by a state agency without the  
 12 need for a biennial legislative appropriation or budget amendment.

13 (2) Except as provided in subsection (4), to be effective, a statutory appropriation must comply with both  
 14 of the following provisions:

15 (a) The law containing the statutory authority must be listed in subsection (3).

16 (b) The law or portion of the law making a statutory appropriation must specifically state that a statutory  
 17 appropriation is made as provided in this section.

18 (3) The following laws are the only laws containing statutory appropriations: 2-17-105; 5-11-120;  
 19 5-11-407; 5-13-403; 7-4-2502; 10-1-108; 10-1-1202; 10-1-1303; 10-2-603; 10-2-807; 10-3-203; 10-3-310;  
 20 10-3-312; 10-3-314; 10-3-1304; 10-4-304; 15-1-121; 15-1-218; 15-35-108; 15-36-332; 15-37-117; 15-39-110;  
 21 15-65-121; 15-70-101; 15-70-130; 15-70-433; 16-11-119; 16-11-509; 17-3-106; 17-3-112; 17-3-212; 17-3-222;  
 22 17-3-241; 17-6-101; 17-7-215; 18-11-112; 19-3-319; 19-3-320; 19-6-404; 19-6-410; 19-9-702; 19-13-604;  
 23 19-17-301; 19-18-512; 19-19-305; 19-19-506; 19-20-604; 19-20-607; 19-21-203; 20-8-107; 20-9-534; 20-9-622;  
 24 20-9-905; 20-26-617; 20-26-1503; 22-1-327; 22-3-116; 22-3-117; 22-3-1004; 23-4-105; 23-5-306; 23-5-409;  
 25 23-5-612; 23-7-301; 23-7-402; 30-10-1004; 37-43-204; 37-50-209; 37-51-501; 37-54-113; 39-71-503; 41-5-2011;  
 26 42-2-105; 44-4-1101; 44-12-213; 44-13-102; 50-1-115; 53-1-109; 53-6-148; ~~53-6-1304~~; 53-9-113; 53-24-108;  
 27 53-24-206; 60-11-115; 61-3-321; 61-3-415; 69-3-870; 69-4-527; 75-1-1101; 75-5-1108; 75-6-214; 75-11-313;  
 28 75-26-308; 76-13-150; 76-13-416; 76-17-103; 76-22-109; 77-1-108; 77-2-362; 80-2-222; 80-4-416; 80-11-518;  
 29 80-11-1006; 81-1-112; 81-1-113; 81-7-106; 81-10-103; 82-11-161; 85-20-1504; 85-20-1505; [85-25-102];  
 30 87-1-603; 90-1-115; 90-1-205; 90-1-504; 90-3-1003; 90-6-331; and 90-9-306.

1 (4) There is a statutory appropriation to pay the principal, interest, premiums, and costs of issuing,  
 2 paying, and securing all bonds, notes, or other obligations, as due, that have been authorized and issued  
 3 pursuant to the laws of Montana. Agencies that have entered into agreements authorized by the laws of Montana  
 4 to pay the state treasurer, for deposit in accordance with 17-2-101 through 17-2-107, as determined by the state  
 5 treasurer, an amount sufficient to pay the principal and interest as due on the bonds or notes have statutory  
 6 appropriation authority for the payments.(In subsection (3): pursuant to sec. 10, Ch. 360, L. 1999, the inclusion  
 7 of 19-20-604 terminates contingently when the amortization period for the teachers' retirement system's unfunded  
 8 liability is 10 years or less; pursuant to sec. 10, Ch. 10, Sp. L. May 2000, secs. 3 and 6, Ch. 481, L. 2003, and  
 9 sec. 2, Ch. 459, L. 2009, the inclusion of 15-35-108 terminates June 30, 2019; pursuant to sec. 73, Ch. 44, L.  
 10 2007, the inclusion of 19-6-410 terminates contingently upon the death of the last recipient eligible under  
 11 19-6-709(2) for the supplemental benefit provided by 19-6-709; pursuant to sec. 6, Ch. 61, L. 2011, the inclusion  
 12 of 76-13-416 terminates June 30, 2019; pursuant to sec. 11(2), Ch. 17, L. 2013, the inclusion of 17-3-112  
 13 terminates on occurrence of contingency; pursuant to sec. 27, Ch. 285, L. 2015, and sec. 1, Ch. 292, L. 2015,  
 14 the inclusion of 53-9-113 terminates June 30, 2021; pursuant to sec. 6, Ch. 291, L. 2015, the inclusion of  
 15 50-1-115 terminates June 30, 2021; ~~pursuant to sec. 28, Ch. 368, L. 2015, the inclusion of 53-6-1304 terminates~~  
 16 ~~June 30, 2019~~; pursuant to sec. 5, Ch. 383, L. 2015, the inclusion of 85-25-102 is effective on occurrence of  
 17 contingency; pursuant to sec. 5, Ch. 422, L. 2015, the inclusion of 17-7-215 terminates June 30, 2021; pursuant  
 18 to sec. 6, Ch. 423, L. 2015, the inclusion of 22-3-116 and 22-3-117 terminates June 30, 2025; pursuant to sec.  
 19 10, Ch. 427, L. 2015, the inclusion of 37-50-209 terminates September 30, 2019; pursuant to sec. 33, Ch. 457,  
 20 L. 2015, the inclusion of 20-9-905 terminates December 31, 2023; pursuant to sec. 12, Ch. 55, L. 2017, the  
 21 inclusion of 37-54-113 terminates June 30, 2023; pursuant to sec. 4, Ch. 122, L. 2017, the inclusion of 10-3-1304  
 22 terminates September 30, 2025; pursuant to sec. 55, Ch. 151, L. 2017, the inclusion of 30-10-1004 terminates  
 23 June 30, 2021; pursuant to sec. 1, Ch. 213, L. 2017, the inclusion of 90-6-331 terminates June 30, 2027; pursuant  
 24 to secs. 5, 8, Ch. 284, L. 2017, the inclusion of 81-1-112, 81-1-113, and 81-7-106 terminates June 30, 2023;  
 25 pursuant to sec. 1, Ch. 340, L. 2017, the inclusion of 22-1-327 terminates July 1, 2023, and pursuant to sec. 2,  
 26 Ch. 340, L. 2017, and sec. 32, Ch. 429, L. 2017, is void for fiscal years 2018 and 2019; and pursuant to sec. 10,  
 27 Ch. 374, L. 2017, the inclusion of 76-17-103 terminates June 30, 2027.)"

28  
 29 ~~Section 18. Section 33-1-115, MCA, is amended to read:~~  
 30 ~~"33-1-115. Operation of state fund as authorized insurer -- issuance of certificate of authority --~~

1 ~~exceptions -- use of calendar year -- risk-based capital -- reporting requirements.~~ (1) The state fund  
 2 provided for in 39-71-2313 is an authorized insurer and, except as provided in this section, is subject to the  
 3 provisions in Title 33 that are generally applicable to authorized workers' compensation insurers in this state and  
 4 the provisions of Title 39, chapter 71, part 23.

5 ~~———— (2) (a) The commissioner shall issue a certificate of authority to the state fund to write workers'~~  
 6 ~~compensation insurance coverages, as provided in 39-71-2316, and except as otherwise provided in this section~~  
 7 ~~the requirements of Title 33, chapter 2, part 1, do not apply. The certificate of authority must be continuously~~  
 8 ~~renewed by the commissioner.~~

9 ~~———— (b) The state fund shall pay the tax on net premiums under 33-2-705 and the annual fee under 33-2-708,~~  
 10 ~~provide the surplus funds required under 33-2-109 and 33-2-110, and provide to the commissioner the available~~  
 11 ~~documentation and information that is provided by other insurers when applying for a certificate of authority under~~  
 12 ~~33-2-115.~~

13 ~~———— (c) The state fund is subject to the reporting requirements under 33-2-705 but is not subject to the tax~~  
 14 ~~on net premiums.~~

15 ~~———— (3) (a) The state fund, as the guaranteed market for workers' compensation insurance for employers~~  
 16 ~~pursuant to 39-71-2313, is not subject to:~~

17 ~~———— (i) formation requirements of an insurer under Title 33, chapter 3;~~  
 18 ~~———— (ii) revocation or suspension of its certificate of authority under any provision of Title 33 or any order or~~  
 19 ~~any provision that requires forfeiture of the state fund's obligation to insure employers as required in 39-71-2313;~~  
 20 ~~———— (iii) liquidation or dissolution under Title 33;~~  
 21 ~~———— (iv) participation in the guaranty association provided for in Title 33, chapter 10;~~  
 22 ~~———— (v) 33-12-104; or~~  
 23 ~~———— (vi) any assessment of punitive or exemplary damages.~~

24 ~~———— (b) The state fund is subject to 33-16-1023, except as provided in 39-71-2316(1)(e), (1)(f), and (1)(g).~~

25 ~~———— (4) The state fund shall complete financial reporting and accounting on a calendar year basis.~~

26 ~~———— (5) (a) If the state fund's risk-based capital falls below the company action level RBC as defined in~~  
 27 ~~33-2-1902, the commissioner shall issue a report to the governor, the state fund board of directors, and to the~~  
 28 ~~legislature. If the legislature is not in session, the report must go to the economic affairs interim committee and~~  
 29 ~~to the legislative auditor. The report must provide a description of the RBC measurement, the regulatory~~  
 30 ~~implications of the state fund falling below the RBC criteria, and the state fund's corrective action plan. If the~~

1 commissioner is reporting on a regulatory action level RBC event, the report must include the state fund's  
 2 corrective action plan, results of any examination or analysis by the commissioner, and any corrective orders  
 3 issued by the commissioner.

4 ~~———— (b) If the state fund fails to comply with any lawful order of the commissioner, the commissioner may~~  
 5 ~~initiate supervision proceedings under Title 33, chapter 2, part 13, against state fund. If the state fund fails to~~  
 6 ~~comply with the commissioner's lawful supervision order under this subsection (5)(b), the commissioner may~~  
 7 ~~institute rehabilitation proceedings under Title 33, chapter 2, part 13, only if the commissioner is petitioning for~~  
 8 ~~rehabilitation based on the grounds provided in 33-2-1321(1) or (2).~~

9 ~~———— (6) The state fund shall annually transfer funds to the commissioner, out of its surplus, for all necessary~~  
 10 ~~staffing and related expenses for a full-time attorney licensed to practice law in Montana and a full-time examiner~~  
 11 ~~qualified by education, training, experience, and high professional competence to examine the state fund~~  
 12 ~~pursuant to Title 33, chapter 1, part 4, and this section. The attorney and examiner must be employees of the~~  
 13 ~~commissioner.~~

14 ~~———— (7) For the purposes of this section, the term "guaranteed market" has the definition provided in~~  
 15 ~~39-71-2312."~~

16

17 ~~———— **Section 19.** Section 33-2-705, MCA, is amended to read:~~

18 ~~———— **"33-2-705. Report on premiums and other consideration -- tax.** (1) Each authorized insurer and each~~  
 19 ~~formerly authorized insurer with respect to premiums received while an authorized insurer in this state shall file~~  
 20 ~~with the commissioner, on or before March 1 each year, a report in a form prescribed by the commissioner~~  
 21 ~~showing total direct premium income, including policy, membership, and other fees, premiums paid by application~~  
 22 ~~of dividends, refunds, savings, savings coupons, and similar returns or credits to payment of premiums for new~~  
 23 ~~or additional or extended or renewed insurance, charges for payment of premium in installments, and all other~~  
 24 ~~consideration for insurance from all kinds and classes of insurance, whether designated as a premium or~~  
 25 ~~otherwise, received by a life insurer or written by an insurer other than a life insurer during the preceding calendar~~  
 26 ~~year on account of policies covering property, subjects, or risks located, resident, or to be performed in Montana,~~  
 27 ~~with proper proportionate allocation of premium as to property, subjects, or risks in Montana insured under~~  
 28 ~~policies or contracts covering property, subjects, or risks located or resident in more than one state, after~~  
 29 ~~deducting from the total direct premium income applicable cancellations, returned premiums, the unabsorbed~~  
 30 ~~portion of any deposit premium, the amount of reduction in or refund of premiums allowed to industrial life~~

1 policyholders for payment of premiums direct to an office of the insurer, all policy dividends, refunds, savings,  
2 savings coupons, and other similar returns paid or credited to policyholders with respect to the policies. As to title  
3 insurance, "premium" includes the total charge for the insurance. A deduction may not be made of the cash  
4 surrender values of policies. Considerations received on annuity contracts may not be included in total direct  
5 premium income and are not subject to tax.

6 ~~———(2) (a) Except as provided in subsections (2)(b) and (2)(c), coincident with the filing of the tax report~~  
7 ~~referred to in subsection (1) and subject to 33-2-709, each insurer shall pay to the commissioner a tax on the net~~  
8 ~~premiums computed at the rate of 2.75%.~~

9 ~~———(b) All casualty insurers issuing policies of legal professional liability insurance pursuant to 33-1-206 shall~~  
10 ~~pay to the commissioner a tax on the net premiums derived from legal professional liability insurance computed~~  
11 ~~at a rate of 0.75%.~~

12 ~~———(c) A dormant captive insurer that has a valid certificate of dormancy shall pay to the commissioner an~~  
13 ~~annual dormancy tax of \$1,000 as provided in 33-28-401.~~

14 ~~———(3) That portion of the tax paid under this section by an insurer on account of premiums received for fire~~  
15 ~~insurance must be separately specified in the report required by the commissioner for apportionment as provided~~  
16 ~~by law. When insurance against fire is included with insurance of property against other perils at an undivided~~  
17 ~~premium, the insurer shall make a reasonable allocation from the entire premium to the fire portion of the~~  
18 ~~coverage as must be stated in the report and as may be approved or accepted by the commissioner.~~

19 ~~———(4) With respect to authorized insurers, the premium tax provided by this section or the annual dormancy~~  
20 ~~tax under 33-28-401 must be payment in full and in lieu of all other demands for any and all state, county, city,~~  
21 ~~district, municipal, and school taxes, licenses, fees, and excises of whatever kind or character, excepting only~~  
22 ~~those prescribed by this code, taxes on real and tangible personal property located in this state, and taxes~~  
23 ~~payable under 50-3-109.~~

24 ~~———(5) The commissioner may suspend or revoke the certificate of authority of any insurer that fails to pay~~  
25 ~~its taxes as required under this section.~~

26 ~~———(6) In addition to the penalty provided for in subsection (5), the commissioner may impose on an insurer~~  
27 ~~who fails to pay the tax required under this section a fine of \$100 plus interest on the delinquent amount at the~~  
28 ~~annual interest rate of 12%.~~

29 ~~———(7) The commissioner shall:~~

30 ~~———(a) separately account for taxes paid under this section by the state fund provided for in 39-71-2313; and~~

1 ~~\_\_\_\_\_ (b) deposit the money as provided in 33-2-708.~~

2 ~~\_\_\_\_\_ (7)(8) The commissioner may by rule provide a quarterly schedule for payment of portions of the~~  
3 ~~premium tax under this section during the year in which tax liability is accrued."~~

4  
5 ~~\_\_\_\_\_ **Section 20.** Section 33-2-708, MCA, is amended to read:~~

6 ~~\_\_\_\_\_ **"33-2-708. Fees and licenses.** (1) (a) Except as provided in subsection (5), the commissioner shall~~  
7 ~~collect a fee of \$1,900 from each insurer applying for or annually renewing a certificate of authority to conduct~~  
8 ~~the business of insurance in Montana.~~

9 ~~\_\_\_\_\_ (b) The commissioner shall collect certain additional fees as follows:~~

10 ~~\_\_\_\_\_ (i) nonresident insurance producer's license:~~

11 ~~\_\_\_\_\_ (A) application for original license, including issuance of license, if issued, \$100;~~

12 ~~\_\_\_\_\_ (B) biennial renewal of license, \$50;~~

13 ~~\_\_\_\_\_ (C) lapsed license reinstatement fee, \$100;~~

14 ~~\_\_\_\_\_ (ii) resident insurance producer's license lapsed license reinstatement fee, \$100;~~

15 ~~\_\_\_\_\_ (iii) surplus lines insurance producer's license:~~

16 ~~\_\_\_\_\_ (A) application for original license and for issuance of license, if issued, \$50;~~

17 ~~\_\_\_\_\_ (B) biennial renewal of license, \$100;~~

18 ~~\_\_\_\_\_ (C) lapsed license reinstatement fee, \$200;~~

19 ~~\_\_\_\_\_ (iv) insurance adjuster's license:~~

20 ~~\_\_\_\_\_ (A) application for original license, including issuance of license, if issued, \$50;~~

21 ~~\_\_\_\_\_ (B) biennial renewal of license, \$100;~~

22 ~~\_\_\_\_\_ (C) lapsed license reinstatement fee, \$200;~~

23 ~~\_\_\_\_\_ (v) insurance consultant's license:~~

24 ~~\_\_\_\_\_ (A) application for original license, including issuance of license, if issued, \$50;~~

25 ~~\_\_\_\_\_ (B) biennial renewal of license, \$100;~~

26 ~~\_\_\_\_\_ (C) lapsed license reinstatement fee, \$200;~~

27 ~~\_\_\_\_\_ (vi) viatical settlement broker's license:~~

28 ~~\_\_\_\_\_ (A) application for original license, including issuance of license, if issued, \$50;~~

29 ~~\_\_\_\_\_ (B) biennial renewal of license, \$100;~~

30 ~~\_\_\_\_\_ (C) lapsed license reinstatement fee, \$200;~~

- 1 ~~—— (vii) resident and nonresident rental car entity producer's license:~~
- 2 ~~—— (A) application for original license, including issuance of license, if issued, \$100;~~
- 3 ~~—— (B) quarterly filing fee, \$25;~~
- 4 ~~—— (viii) an original notification fee for a life insurance producer acting as a viatical settlement broker, in~~
- 5 ~~accordance with 33-20-1303(2)(b), \$50;~~
- 6 ~~—— (ix) navigator certification:~~
- 7 ~~—— (A) application for original certification, including issuance of certificate if issued, \$100;~~
- 8 ~~—— (B) biennial renewal of certification, \$50;~~
- 9 ~~—— (C) lapsed certification reinstatement fee, \$100;~~
- 10 ~~—— (x) 50 cents for each page for copies of documents on file in the commissioner's office.~~
- 11 ~~—— (c) The commissioner may adopt rules to determine the date by which a nonresident insurance producer,~~
- 12 ~~a surplus lines insurance producer, an insurance adjuster, an insurance public adjuster, or an insurance~~
- 13 ~~consultant is required to pay the fee for the biennial renewal of a license.~~
- 14 ~~—— (2) (a) The commissioner shall charge a fee of \$75 for each course or program submitted for review as~~
- 15 ~~required by 33-17-1204 and 33-17-1205, but may not charge more than \$1,500 to a sponsoring organization~~
- 16 ~~submitting courses or programs for review in any biennium.~~
- 17 ~~—— (b) Insurers and associations composed of members of the insurance industry are exempt from the~~
- 18 ~~charge in subsection (2)(a).~~
- 19 ~~—— (3) (a) Except as provided in subsection (3)(b), the commissioner shall promptly deposit with the state~~
- 20 ~~treasurer to the credit of the general fund all fines and penalties and those amounts received pursuant to~~
- 21 ~~33-2-311, 33-2-705, 33-28-201, and 50-3-109.~~
- 22 ~~—— (b) The commissioner shall deposit:~~
- 23 ~~—— (i) money from the premium tax paid by the state fund pursuant to 33-2-705 in the Montana HELP ACT~~
- 24 ~~special revenue account provided for in [section 6-5]; and~~
- 25 ~~—— (ii) 33% of the remaining money collected under 33-2-705 in the special revenue account provided for~~
- 26 ~~in 53-4-1115.~~
- 27 ~~—— (c) All other fees collected by the commissioner pursuant to Title 33 and the rules adopted under Title~~
- 28 ~~33 must be deposited in the state special revenue fund to the credit of the state auditor's office [and are subject~~
- 29 ~~to legislative fund transfer].~~
- 30 ~~—— (4) All fees are considered fully earned when received. In the event of overpayment, only those amounts~~

1 in excess of \$10 will be refunded.

2 ~~—— (5) The commissioner shall collect a licensing fee of \$500 for casualty insurance companies issuing~~  
 3 ~~policies of legal professional liability insurance pursuant to 33-1-206. (Bracketed language in subsection (3)(e)~~  
 4 ~~terminates June 30, 2019--sec. 28, Ch. 6, Sp. L. November 2017.)"~~

5

6 **Section 22.** Section 33-30-102, MCA, is amended to read:

7 **"33-30-102. Application of chapter -- construction of other related laws.** (1) All health service  
 8 corporations are subject to the provisions of this chapter. In addition to the provisions contained in this chapter,  
 9 other chapters and provisions of this title apply to health service corporations as follows: [section 8 6]; 33-2-1212;  
 10 33-3-307; 33-3-308; 33-3-401; 33-3-431; 33-3-701 through 33-3-704; 33-17-101; Title 33, chapter 2, parts 13,  
 11 19, and 23; Title 33, chapter 3, part 6; Title 33, chapter 17, parts 2 and 10 through 12; and Title 33, chapters 1,  
 12 15, 18, 19, 22, and 32, except 33-22-111.

13 (2) A law of this state other than the provisions of this chapter applicable to health service corporations  
 14 must be construed in accordance with the fundamental nature of a health service corporation, and in the event  
 15 of a conflict, the provisions of this chapter prevail."

16

17 **Section 23.** Section 39-12-101, MCA, is amended to read:

18 **"39-12-101. (Temporary) Montana HELP Act workforce development -- legislative findings --**  
 19 **purpose.** (1) The legislature finds that:

20 (a) Montana has a disproportionately high number of individuals who are eligible for medicaid compared  
 21 to surrounding states;

22 (b) Montanans value independence and self-sufficiency;

23 (c) investing in Montana citizens is a legislative priority;

24 (d) participants in the HELP Act program are largely low-wage workers; and

25 (e) an opportunity exists to match individuals who need self-sustaining employment with the jobs the  
 26 economy needs, including newly created health care jobs.

27 (2) The purpose of this chapter is to create a collaborative effort between the department of labor and  
 28 industry and the department of public health and human services to:

29 (a) identify workforce development opportunities for program participants;

30 (b) gather information from state agencies on existing workforce development programs and



1 opportunities; and

2 (c) establish a comprehensive plan for coordinating efforts and resources to provide workforce  
3 development opportunities.

4 (3) The department of labor and industry shall implement a workforce development program that:

5 (a) focuses on specific labor force needs within the state of Montana;

6 (b) has the goal of reducing the number of people depending on social programs, including the HELP  
7 Act program; and

8 (c) provides grants to employers who hire and train program participants; and

9 ~~(e)(d)~~ increases the earning capacity, economic stability, and self-sufficiency of program participants so  
10 that, among other benefits, they are able to purchase their own health insurance coverage. ~~(Terminates June 30,~~  
11 ~~2019--sec. 28, Ch. 368, L. 2015.)"~~

12

13 **Section 24.** Section 39-12-103, MCA, is amended to read:

14 **"39-12-103. ~~(Temporary)~~ Montana HELP Act workforce development -- participation -- report.** (1)

15 The department shall provide individuals receiving assistance for health care services pursuant to Title 53,  
16 chapter 6, part 13, with the option of participating in an employment or reemployment assessment and in the  
17 workforce development program provided for in 39-12-101. The assessment must identify any probable barriers  
18 to employment that exist for the member.

19 (2) THE DEPARTMENT SHALL CONTACT EACH PROGRAM PARTICIPANT SUBJECT TO THE COMMUNITY ENGAGEMENT  
20 REQUIREMENTS OF [SECTION 1] AND ASSIST THE PARTICIPANT WITH COMPLETION OF AN EMPLOYMENT OR REEMPLOYMENT  
21 ASSESSMENT. BASED ON THE RESULTS OF THE ASSESSMENT, THE DEPARTMENT SHALL IDENTIFY SERVICES TO HELP THE  
22 INDIVIDUAL ADDRESS BARRIERS TO EMPLOYMENT.

23 ~~(2)(3)~~ (a) The department shall notify the department of public health and human services when a  
24 participant has received all services and assistance under subsection (1) that can reasonably be provided to the  
25 individual.

26 (b) The department is not required to provide further services under this section after it has provided the  
27 notification provided for in subsection ~~(2)(a)~~ (3)(A).

28 (c) A participant who is no longer receiving services under this section does not meet the criteria of  
29 53-6-1307(6)(c) for the exemption granted under 53-6-1307(6).

30 ~~(3)(4)~~ The department shall report the following information to the ~~oversight committee provided for in~~

1 ~~53-6-1316~~ legislative finance committee and the children, families, health, and human services interim committee:

2 (a) the activities undertaken to establish a workforce development program for program participants and  
3 the employer grant program provided for in [section 9 7]; and

4 (b) the number of participants in the workforce development program and the number of participants who  
5 have obtained employment or higher-paying employment;

6 (c) the number of employers receiving grant awards and the number and types of activities, training, or  
7 jobs the employers provided; and

8 (d) the total cost of providing workforce development services under this chapter, including related  
9 administrative costs.

10 ~~(4)(5)~~ To the extent possible, the department of public health and human services shall offset the cost  
11 of workforce development activities provided under this section by using temporary assistance for needy families  
12 reserve funds.

13 ~~(5)(6)~~ The department shall reduce fraud, waste, and abuse in determining and reviewing eligibility for  
14 unemployment insurance benefits by enhancing technology system support to provide knowledge-based  
15 authentication for verifying the identity and employment status of individuals seeking benefits, including the use  
16 of public records to confirm identity and to flag changes in demographics. ~~(Terminates June 30, 2019--sec. 28;~~  
17 ~~Ch. 368, L. 2015.)"~~

18  
19 ~~Section 24.~~ Section 39-71-2375, MCA, is amended to read:

20 ~~"39-71-2375. Operation of state fund as authorized insurer -- issuance of certificate of authority~~  
21 ~~-- exceptions -- use of calendar year -- risk-based capital -- reporting requirements. (1) The state fund~~  
22 ~~provided for in 39-71-2313 is an authorized insurer and, except as provided in this section, is subject to the~~  
23 ~~provisions in Title 33 that are generally applicable to authorized workers' compensation insurers in this state and~~  
24 ~~the provisions of Title 39, chapter 71, part 23.~~

25 ~~(2) (a) The commissioner shall issue a certificate of authority to the state fund to write workers'~~  
26 ~~compensation insurance coverages, as provided in 39-71-2316, and except as otherwise provided in this section~~  
27 ~~the requirements of Title 33, chapter 2, part 1, do not apply. The certificate of authority must be continuously~~  
28 ~~renewed by the commissioner.~~

29 ~~(b) The state fund shall pay the tax on net premiums under 33-2-705 and the annual fee under 33-2-708;~~  
30 ~~provide the surplus funds required under 33-2-109 and 33-2-110, and provide to the commissioner the available~~

1 documentation and information that is provided by other insurers when applying for a certificate of authority under  
2 33-2-115.

3 ~~—— (c) The state fund is subject to the reporting requirements under 33-2-705 but is not subject to the tax~~  
4 ~~on net premiums.~~

5 ~~—— (3) (a) The state fund, as the guaranteed market for workers' compensation insurance for employers~~  
6 ~~pursuant to 39-71-2313, is not subject to:~~

7 ~~—— (i) formation requirements of an insurer under Title 33, chapter 3;~~  
8 ~~—— (ii) revocation or suspension of its certificate of authority under any provision of Title 33 or any order or~~  
9 ~~any provision that requires forfeiture of the state fund's obligation to insure employers as required in 39-71-2313;~~  
10 ~~—— (iii) liquidation or dissolution under Title 33;~~  
11 ~~—— (iv) participation in the guaranty association provided for in Title 33, chapter 10;~~  
12 ~~—— (v) 33-12-104; or~~  
13 ~~—— (vi) any assessment of punitive or exemplary damages.~~

14 ~~—— (b) The state fund is subject to 33-16-1023, except as provided in 39-71-2316(1)(e), (1)(f), and (1)(g).~~

15 ~~—— (4) The state fund shall complete financial reporting and accounting on a calendar year basis.~~

16 ~~—— (5) (a) If the state fund's risk-based capital falls below the company action level RBC as defined in~~  
17 ~~33-2-1902, the commissioner shall issue a report to the governor, the state fund board of directors, and to the~~  
18 ~~legislature. If the legislature is not in session, the report must go to the economic affairs interim committee and~~  
19 ~~to the legislative auditor. The report must provide a description of the RBC measurement, the regulatory~~  
20 ~~implications of the state fund falling below the RBC criteria, and the state fund's corrective action plan. If the~~  
21 ~~commissioner is reporting on a regulatory action level RBC event, the report must include the state fund's~~  
22 ~~corrective action plan, results of any examination or analysis by the commissioner, and any corrective orders~~  
23 ~~issued by the commissioner.~~

24 ~~—— (b) If the state fund fails to comply with any lawful order of the commissioner, the commissioner may~~  
25 ~~initiate supervision proceedings under Title 33, chapter 2, part 13, against state fund. If the state fund fails to~~  
26 ~~comply with the commissioner's lawful supervision order under this subsection (5)(b), the commissioner may~~  
27 ~~institute rehabilitation proceedings under Title 33, chapter 2, part 13, only if the commissioner is petitioning for~~  
28 ~~rehabilitation based on the grounds provided in 33-2-1321(1) or (2).~~

29 ~~—— (6) The state fund shall annually transfer funds to the commissioner, out of its surplus, for all necessary~~  
30 ~~staffing and related expenses for a full-time attorney licensed to practice law in Montana and a full-time examiner~~

1 qualified by education, training, experience, and high professional competence to examine the state fund  
 2 pursuant to Title 33, chapter 1, part 4, and this section. The attorney and examiner must be employees of the  
 3 commissioner.

4 ~~——— (7) For the purposes of this section, the term "guaranteed market" has the definition provided in  
 5 39-71-2312."~~

6

7 **Section 25.** Section 53-4-1110, MCA, is amended to read:

8 **"53-4-1110. Exemption from resource test.** An otherwise applicable eligibility resource test provided  
 9 for in 53-6-113(6) and 53-6-131~~(7)~~(8) does not apply to plan applicants."

10

11 ~~——— **Section 26.** Section 53-4-1115, MCA, is amended to read:~~

12 ~~——— **"53-4-1115. Special revenue account.** (1) There is an account in the state special revenue fund to the  
 13 credit of the department for the purposes provided in subsection (2). There must be paid into the account the  
 14 amounts collected under 33-2-708(3)(b)(ii). Any interest or income derived from the account must be deposited  
 15 in the account.~~

16 ~~——— (2) Money in the account:~~

17 ~~——— (a) is to be used solely to cover the number of additional enrollees in the plan that exceeds the number  
 18 of enrollees as of November 4, 2008, within the limits provided in 53-4-1004, 53-6-131, and this part, and to cover  
 19 the costs of enrollment, including premium assistance, under 53-4-1108(1), and to pay administrative costs  
 20 associated with expanded eligibility, and to establish and maintain a reserve; and~~

21 ~~——— (b) may be used only to match federal funds available under the children's health insurance program and  
 22 the Montana medicaid program.~~

23 ~~——— (3) The unexpended balance of an appropriation from the account must remain in the account and may  
 24 be used only for the purposes stated in subsection (2).~~

25 ~~——— (4) The special revenue account does not affect and is not exclusive of any other sources of funding for  
 26 the programs described in 53-4-1104(2), including the special revenue account provided for in 53-4-1012.~~

27 ~~——— (5) If the department determines that there is insufficient funding for the purposes of subsection (2), it  
 28 may reduce eligibility requirements for participants in the children's health insurance program as provided in  
 29 53-4-1004(4)."~~

30

1           **Section 26.** Section 53-6-131, MCA, is amended to read:

2           **"53-6-131. Eligibility requirements.** (1) Medical assistance under the Montana medicaid program may  
3 be granted to a ~~person~~ U.S. citizen or a qualified alien as defined in 8 U.S.C. 1641 who is determined by the  
4 department of public health and human services to be a Montana resident and, in its discretion, to be eligible as  
5 follows:

6           (a) The person receives or is considered to be receiving supplemental security income benefits under  
7 Title XVI of the Social Security Act, 42 U.S.C. 1381, et seq., and does not have income or resources in excess  
8 of the applicable medical assistance limits.

9           (b) The person would be eligible for assistance under the program described in subsection (1)(a) if that  
10 person were to apply for that assistance.

11           (c) The person is in a medical facility that is a medicaid provider and, but for residence in the facility, the  
12 person would be receiving assistance under the program in subsection (1)(a).

13           (d) The person is:

14           (i) under 21 years of age and in foster care under the supervision of the state or was in foster care under  
15 the supervision of the state and has been adopted as a child with special needs; or

16           (ii) under 18 years of age and is in a guardianship subsidized by the department pursuant to 41-3-444.

17           (e) The person meets the nonfinancial criteria of the categories in subsections (1)(a) through (1)(d) and:

18           (i) the person's income does not exceed the income level specified for federally aided categories of  
19 assistance and the person's resources are within the resource standards of the federal supplemental security  
20 income program; or

21           (ii) the person, while having income greater than the medically needy income level specified for federally  
22 aided categories of assistance:

23           (A) has an adjusted income level, after incurring medical expenses, that does not exceed the medically  
24 needy income level specified for federally aided categories of assistance or, alternatively, has paid in cash to the  
25 department the amount by which the person's income exceeds the medically needy income level specified for  
26 federally aided categories of assistance; and

27           (B) (I) in the case of a person who meets the nonfinancial criteria for medical assistance because the  
28 person is aged, blind, or disabled, has resources that do not exceed the resource standards of the federal  
29 supplemental security income program; or

30           (II) in the case of a person who meets the nonfinancial criteria for medical assistance because the person

1 is pregnant, is an infant or child, or is the caretaker of an infant or child, has resources that do not exceed the  
2 resource standards adopted by the department.

3 (f) The person is a qualified pregnant woman or a child as defined in 42 U.S.C. 1396d(n).

4 (g) The person is under 19 years of age and lives with a family having a combined income that does not  
5 exceed 185% of the federal poverty level. The department may establish lower income levels to the extent  
6 necessary to maximize federal matching funds provided for in 53-4-1104.

7 (2) The department shall require an applicant to provide proof of the applicant's residency in this state.

8 ~~(2)~~(3) (a) The department may establish income and resource limitations. Limitations of income and  
9 resources must be within the amounts permitted by federal law for the medicaid program. Any otherwise  
10 applicable eligibility resource test prescribed by the department does not apply to enrollees in the healthy  
11 Montana kids plan provided for in 53-4-1104.

12 (b) The department may not count as a resource an individual retirement account that was established  
13 by a person participating in the medicaid program for workers with disabilities provided for in 53-6-195 if:

14 (i) the person is no longer eligible for coverage under 53-6-195; and

15 (ii) the individual retirement account was established during the time the person was receiving benefits  
16 through the medicaid program for workers with disabilities.

17 ~~(3)~~(4) The Montana medicaid program shall pay, as required by federal law, the premiums necessary  
18 for medicaid-eligible persons participating in the medicare program and may, within the discretion of the  
19 department, pay all or a portion of the medicare premiums, deductibles, and coinsurance for a qualified  
20 medicare-eligible person or for a qualified disabled and working individual, as defined in section 6408(d)(2) of the  
21 federal Omnibus Budget Reconciliation Act of 1989, Public Law 101-239, who:

22 (a) has income that does not exceed income standards as may be required by the Social Security Act;  
23 and

24 (b) has resources that do not exceed standards that the department determines reasonable for purposes  
25 of the program.

26 ~~(4)~~(5) The department may pay a medicaid-eligible person's expenses for premiums, coinsurance, and  
27 similar costs for health insurance or other available health coverage, as provided in 42 U.S.C. 1396b(a)(1).

28 ~~(5)~~(6) In accordance with waivers of federal law that are granted by the secretary of the U.S. department  
29 of health and human services, the department of public health and human services may grant eligibility for basic  
30 medicaid benefits as described in 53-6-101 to an individual receiving section 1931 medicaid benefits, as defined

1 in 53-4-602, as the specified caretaker relative of a dependent child under the section 1931 medicaid program.  
 2 A recipient who is pregnant, meets the criteria for disability provided in Title II of the Social Security Act, 42 U.S.C.  
 3 416, et seq., or is less than 21 years of age is entitled to full medicaid coverage, as provided in 53-6-101.

4 ~~(6)~~(7) The department, under the Montana medicaid program, may provide, if a waiver is not available  
 5 from the federal government, medicaid and other assistance mandated by Title XIX of the Social Security Act,  
 6 42 U.S.C. 1396, et seq., as may be amended, and not specifically listed in this part to categories of persons that  
 7 may be designated by the act for receipt of assistance.

8 ~~(7)~~(8) Notwithstanding any other provision of this chapter, medical assistance must be provided to infants  
 9 and pregnant women whose family income does not exceed income standards adopted by the department that  
 10 comply with the requirements of 42 U.S.C. 1396a(l)(2)(A)(i) and whose family resources do not exceed standards  
 11 that the department determines reasonable for purposes of the program.

12 ~~(8)~~(9) Subject to appropriations, the department may cooperate with and make grants to a nonprofit  
 13 corporation that uses donated funds to provide basic preventive and primary health care medical benefits to  
 14 children whose families are ineligible for the Montana medicaid program and who are ineligible for any other  
 15 health care coverage, are under 19 years of age, and are enrolled in school if of school age.

16 ~~(9)~~(10) A person described in subsection ~~(7)~~(8) must be provided continuous eligibility for medical  
 17 assistance, as authorized in 42 U.S.C. 1396a(e)(5) through (e)(7).

18 ~~(10)~~(11) Full medical assistance under the Montana medicaid program may be granted to an individual  
 19 during the period in which the individual requires treatment of breast or cervical cancer, or both, or of a  
 20 precancerous condition of the breast or cervix, if the individual:

21 (a) has been screened for breast and cervical cancer under the Montana breast and cervical health  
 22 program funded by the centers for disease control and prevention program established under Title XV of the  
 23 Public Health Service Act, 42 U.S.C. 300k, or in accordance with federal requirements;

24 (b) needs treatment for breast or cervical cancer, or both, or a precancerous condition of the breast or  
 25 cervix;

26 (c) is not otherwise covered under creditable coverage, as provided by federal law or regulation;

27 (d) is not eligible for medical assistance under any mandatory categorically needy eligibility group; and

28 (e) has not attained 65 years of age.

29 ~~(11)~~(12) Subject to the limitation in 53-6-195, the department shall provide medicaid coverage to workers  
 30 with disabilities as provided in 53-6-195 and in accordance with 42 U.S.C. 1396a(a)(10)(A)(ii)(XIII) and (r)(2) and

1 42 U.S.C. 1396o.

2 (13) NOTHING IN SUBSECTION (1) MAY BE CONSTRUED AS ALLOWING THE DEPARTMENT TO DENY ENROLLMENT  
 3 FOR A REASON THAT IS IMPERMISSIBLE UNDER FEDERAL LAW OR REGULATION."

4

5 **Section 27.** Section 53-6-133, MCA, is amended to read:

6 **"53-6-133. Eligibility determination -- verification -- provision of benefits.** (1) The local office of  
 7 public assistance shall promptly determine the eligibility of each applicant under this part in accordance with the  
 8 rules of the department. Each applicant must be informed of the right to a fair hearing and of the confidential  
 9 nature of the information given. The department, through the local office of public assistance, shall, after the  
 10 hearing, determine whether or not the applicant is eligible for assistance under this part, and aid must be  
 11 furnished promptly to eligible persons. Each applicant must receive written notice of the decision concerning the  
 12 applicant's application, and the right of appeal is secured to the applicant under the procedures of 53-2-606.

13 (2) The local office of public assistance and the department may accept the federal social security  
 14 administration's determination of eligibility for supplemental security income, Title XVI of the Social Security Act,  
 15 as qualifying the eligible individuals to receive medical assistance under this part.

16 (3) (A) The department shall verify the information provided on an application for medicaid under this part  
 17 or under part 13, using data sources allowed under federal law or regulation AND MONTANA DEPARTMENT OF  
 18 REVENUE INFORMATION AS REQUIRED UNDER SUBSECTION (3)(B), to confirm an applicant's eligibility for the program  
 19 before authorizing payment of benefits under the program.

20 (B) THE DEPARTMENT SHALL REQUEST INCOME TAX AND WAGE INCOME FROM THE DEPARTMENT OF REVENUE  
 21 AS ALLOWED UNDER 15-30-2618 AND 15-31-511 TO VERIFY THE INCOME INFORMATION PROVIDED BY APPLICANTS WHO  
 22 MAY BE ELIGIBLE FOR COVERAGE PURSUANT TO 53-6-1304.

23 (4) The department shall establish by rule the documents to be used to verify that an applicant is a  
 24 Montana resident."

25

26 **Section 28.** Section 53-6-149, MCA, is amended to read:

27 **"53-6-149. State special revenue fund account -- administration.** (1) There is a hospital medicaid  
 28 reimbursement account in the state special revenue fund provided for in 17-2-102.

29 (2) All money collected under 15-66-102, except for the money deposited pursuant to 15-66-102(3)(b)  
 30 into the Montana HELP Act special revenue account provided for in [section 6 5], must be deposited in the



1 account.

2 (3) Money in the account must be used by the department of public health and human services to provide  
3 funding no later than May 5 of each year for increases in medicaid payments to hospitals and for the costs of  
4 collection of the fee and other administrative activities associated with the implementation of increases in the  
5 medicaid payments to hospitals."

6

7 **Section 29.** Section 53-6-160, MCA, is amended to read:

8 **"53-6-160. Truthfulness, completeness, and accuracy of submissions to medicaid agencies. (1)**

9 (a) A person who submits to a medicaid agency an application, claim, report, document, or other information that  
10 is or may be used to determine eligibility for medicaid benefits, eligibility to participate as a provider, or the right  
11 to or the amount of payment under the medicaid program is considered to represent to the department, to the  
12 best of the person's knowledge and belief, that the item is genuine and that its contents, including all statements,  
13 claims, and representations contained in the document, are true, complete, accurate, and not misleading.

14 (b) This section applies to the ~~self-attestation of program participants claiming~~ INFORMATION PROVIDED  
15 BY A PROGRAM PARTICIPANT TO CLAIM an exemption from community engagement requirements under [section 1]  
16 ~~and to the self-reporting of~~ OR TO REPORT community engagement requirements required ACTIVITIES under [section  
17 2].

18 (2) (a) A provider has a duty to exercise reasonable care to ensure the truthfulness, completeness, and  
19 accuracy of all applications, claims, reports, documents, and other information and of all statements and  
20 representations made or submitted, or authorized by the provider to be made or submitted, to the department for  
21 purposes related to the medicaid program. The duty applies whether the applications, claims, reports, documents,  
22 other information, statements, or representations were made or submitted, or authorized by the provider to be  
23 made or submitted, on behalf of the provider or on behalf of an applicant or recipient being served by the provider.

24 (b) A provider has a duty to exercise reasonable care to ensure that a claim made or submitted to the  
25 department or its agents or employees for payment or reimbursement under the medicaid program is one for  
26 which the provider is entitled to receive payment and that the service or item is provided and billed according to  
27 all applicable medicaid requirements, including but not limited to identification of the appropriate procedure code  
28 or level of service and provision of the service by a person, facility, or other provider entitled to receive medicaid  
29 payment for the particular service.

30 (3) A person is considered to have known that a claim, statement, or representation related to the

1    medicaid program was false if the person knew, or by virtue of the person's position, authority, or responsibility  
2    should have known, of the falsity of the claim, statement, or representation.

3           (4) A person is considered to have made or to have authorized to be made a claim, statement, or  
4    representation if the person:

5           (a) had the authority or responsibility to:

6           (i) make the claim, statement, or representation;

7           (ii) supervise another who made the claim, statement, or representation; or

8           (iii) authorize the making of the claim, statement, or representation, whether by operation of law, business  
9    or professional practice, or office policy or procedure; and

10          (b) exercised or failed to exercise that authority or responsibility and, as a direct or indirect result, the  
11   false statement was made, resulting in a claim for a service or item when the person knew or had reason to know  
12   that the person was not entitled under applicable statutes, regulations, rules, or policies to medicaid payment or  
13   benefits for the service or item or for the amount of payment requested or claimed.

14          (5) (a) There is an inference that a person who signs or submits a document to a medicaid agency on  
15   behalf of or in the name of a provider is authorized by the provider to do so and is acting under the provider's  
16   direction.

17          (b) For purposes of this section, the term "signs" includes but is not limited to the use of facsimile,  
18   computer-generated and typed, or block-letter signatures.

19          (6) The department shall directly or by contract provide a program of instruction and assistance to  
20   persons submitting applications, claims, reports, documents, and other information to the department concerning  
21   the completion and submission of the application, claim, report, document, or other information in a manner  
22   determined necessary by the department. The program must include:

23          (a) clear directions for the completion of applications, claims, reports, documents, and other information;

24          (b) examples of properly completed applications, claims, reports, documents, and other information;

25          (c) a method by which persons submitting applications, claims, reports, documents, and other  
26   information may, on a case-by-case basis, receive accurate, complete, specific, and timely advice and directions  
27   from the department before the completed applications, claims, reports, documents, and other information must  
28   be submitted to the department; and

29          (d) a method by which persons submitting applications, claims, reports, documents, and other  
30   information may challenge the department's interpretation or application of the manner in which the applications,

1 claims, reports, documents, and other information must be completed.

2 (7) This section applies only for the purpose of civil liability under Title 53 and does not apply in a criminal  
3 proceeding."

4

5 **Section 30.** Section 53-6-1302, MCA, is amended to read:

6 **"53-6-1302. (Temporary) Montana HELP Act program -- legislative findings and purpose.** (1) There  
7 is a Montana Health and Economic Livelihood Partnership Act program established through a collaborative effort  
8 of the department of public health and human services and the department of labor and industry to:

9 (a) provide coverage of health care services for low-income Montanans;

10 (b) improve the readiness of program participants to enter the workforce or obtain better-paying jobs;

11 and

12 (c) reduce the dependence of Montanans on public assistance programs.

13 (2) The legislature finds that improving the delivery of health care services to Montanans requires state  
14 government, health care providers, patient advocates, and other parties interested in high-quality, affordable  
15 health care to collaborate in order to:

16 (a) increase the availability of high-quality health care to Montanans;

17 (b) provide greater value for the tax dollars spent on the Montana medicaid program;

18 (c) reduce health care costs;

19 (d) provide incentives that encourage Montanans to take greater responsibility for their personal health;

20 (e) boost Montana's economy by reducing the costs of uncompensated care; and

21 (f) reduce or minimize the shifting of payment for unreimbursed health care costs to patients with health  
22 insurance.

23 (3) The legislature further finds that providing greater value for the dollars spent on the medicaid program  
24 requires considering options for delivering services in a more efficient and cost-effective manner, including but  
25 not limited to:

26 (a) offering incentives to encourage health care providers to achieve measurable performance outcomes;

27 (b) improving the coordination of care among health care providers who participate in the medicaid  
28 program;

29 (c) reducing preventable hospital readmissions; and

30 (d) exploring methods of medicaid payment that promote quality of care and efficiencies.

1 (4) The legislature further finds that assessing workforce readiness, ~~and~~ providing necessary job training  
 2 or skill development, ~~and establishing community engagement requirements~~ for individuals who need assistance  
 3 with health care costs could help those individuals obtain employment that has health care coverage benefits or  
 4 that would allow them to purchase their own health insurance coverage.

5 (5) The legislature further finds that:

6 (a) it is important to implement additional fraud, waste, and abuse safeguards to protect and preserve  
 7 the integrity of the medicaid program and the unemployment insurance program for individuals who qualify for  
 8 the programs; and

9 (b) state policymakers have an interest in testing the effectiveness of wellness incentives in order to  
 10 collect and analyze information about the correlation between wellness incentives and health status.

11 (6) The purposes of the act are to:

12 (a) modify and enhance Montana's health care delivery system to provide access to high-quality,  
 13 affordable health care for all Montana citizens; and

14 (b) provide low-income Montanans with opportunities to improve their readiness for work or to obtain  
 15 higher-paying jobs.

16 (7) The department of labor and industry and the department of public health and human services shall  
 17 maximize the use of existing resources in administering the program. ~~(Terminates June 30, 2019--sec. 28, Ch.~~  
 18 ~~368, L. 2015.)"~~

19

20 **Section 31.** Section 53-6-1303, MCA, is amended to read:

21 **"53-6-1303. (Temporary) Definitions.** As used in this part, the following definitions apply:

22 (1) "Community engagement" means participation in the activities specified in [section 1] as a means  
 23 to improve a program participant's well-being and opportunities for self-sufficiency.

24 ~~(1)(2)~~ (2) "Department" means the department of public health and human services provided for in  
 25 2-15-2201.

26 ~~(2)(3)~~ (3) "HELP Act" or "act" means the Montana Health and Economic Livelihood Partnership Act provided  
 27 for in Title 39, chapter 12, and this part.

28 ~~(3)(4)~~ (4) "Member" means an individual enrolled in the Montana medicaid program pursuant to 53-6-131  
 29 or receiving medicaid-funded services pursuant to 53-6-1304.

30 ~~(4)(5)~~ (5) "Program participant" or "participant" means an individual enrolled in the Montana Health and

1 Economic Livelihood Partnership Act program established in Title 39, chapter 12, and this part. (~~Terminates June~~  
2 ~~30, 2019--sec. 28, Ch. 368, L. 2015.~~)"

3

4 **Section 32.** Section 53-6-1304, MCA, is amended to read:

5 **"53-6-1304. (Temporary) Montana HELP Act program -- eligibility for coverage of health care**  
6 **services --statutory appropriations--federal special revenue --EXCEPTIONS.** ~~(1)~~ (1) An individual is eligible  
7 for coverage of health care services provided pursuant to this part if the individual meets the requirements of 42  
8 U.S.C. 1396a(a)(10)(A)(i)(VIII).

9 (2) THE DEPARTMENT MAY SERVE INDIVIDUALS WHO ARE ELIGIBLE FOR MEDICAID-FUNDED SERVICES PURSUANT  
10 TO THIS PART THROUGH THE MEDICAL ASSISTANCE PROGRAM ESTABLISHED IN TITLE 53, CHAPTER 6, PART 1, IF THE  
11 INDIVIDUALS WOULD BE SERVED MORE APPROPRIATELY BECAUSE THE INDIVIDUALS:

12 (A) HAVE EXCEPTIONAL HEALTH CARE NEEDS, INCLUDING BUT NOT LIMITED TO MEDICAL, MENTAL HEALTH, OR  
13 DEVELOPMENTAL CONDITIONS;

14 (B) LIVE IN A GEOGRAPHICAL AREA, INCLUDING AN INDIAN RESERVATION, THAT WOULD NOT BE EFFECTIVELY OR  
15 EFFICIENTLY SERVED THROUGH THIS PART;

16 (C) NEED CONTINUITY OF CARE THAT WOULD NOT BE AVAILABLE OR COST-EFFECTIVE THROUGH THIS PART;

17 (D) ARE EXEMPT UNDER THE WAIVER IMPLEMENTING THIS PART AS OF JULY 1, 2019; OR

18 (E) ARE OTHERWISE EXEMPT UNDER FEDERAL LAW.

19 ~~(2) Funds necessary to implement this part, including benefits and administrative costs, are statutorily~~  
20 ~~appropriated, as provided in 17-7-502, from the general fund to the department.~~

21 ~~— (3) There is an account in the federal special revenue fund to the credit of the department for the~~  
22 ~~payment of costs, including benefits and administrative costs, of providing health care services to individuals who~~  
23 ~~are eligible for coverage pursuant to subsection (1).~~

24 ~~— (4) The federal medical assistance percentage received pursuant to 42 U.S.C. 1396d(y) must be~~  
25 ~~deposited in the account provided for in subsection (3).~~

26 ~~— (5) Money in the account is statutorily appropriated, as provided in 17-7-502, to the department for the~~  
27 ~~purpose provided in subsection (3). (~~Terminates June 30, 2019--sec. 28, Ch. 368, L. 2015.~~)"~~

28

29 **Section 33.** Section 53-6-1305, MCA, is amended to read:

30 **"53-6-1305. (Temporary) Montana HELP Act program -- delivery of health care services --**

1 **third-party administrator -- rulemaking.** (1) The department ~~shall~~ may contract as provided in Title 18, chapter  
 2 4, with one or more third-party administrators to assist in administering the delivery of health care services to  
 3 members eligible under 53-6-1304, including but not limited to:

- 4 (a) establishing networks of health care providers;
- 5 (b) paying claims submitted by health care providers;
- 6 (c) collecting the premiums provided for in 53-6-1307;
- 7 (d) coordinating care;
- 8 (e) helping to administer the program; and
- 9 (f) helping to administer the medicaid program reforms as specified in 53-6-1311.

10 (2) ~~The~~ If the department decides to contract with a third-party administrator, the department shall  
 11 determine the basic health care services to be provided through the arrangement with ~~a~~ the third-party  
 12 administrator.

13 (3) (a) The department may exempt certain individuals who are eligible for medicaid-funded services  
 14 pursuant to 53-6-1304 from receiving health care services through ~~the~~ an arrangement with a third-party  
 15 administrator if the individuals would be served more appropriately through the medical assistance program  
 16 established in Title 53, chapter 6, part 1, ~~because the individuals:~~

- 17 ~~—— (i) have exceptional health care needs, including but not limited to medical, mental health, or~~  
 18 ~~developmental conditions;~~
- 19 ~~—— (ii) live in a geographical area, including an Indian reservation, for which the third-party administrator has~~  
 20 ~~been unable to make arrangements with sufficient health care providers to offer services to the individuals;~~
- 21 ~~—— (iii) need continuity of care that would not be available or cost-effective through the arrangement with the~~  
 22 ~~third-party administrator; or~~
- 23 ~~—— (iv) are otherwise exempt under federal law.~~

24 (b) ~~The~~ If the department contracts with a third-party administrator, the department shall:

- 25 (i) adopt rules establishing criteria for determining whether a member is exempt from receiving health  
 26 care services through an arrangement with ~~a~~ the third-party administrator; ~~and~~
- 27 (ii) provide coverage for exempted individuals through the medical assistance program established in Title  
 28 53, chapter 6, part 1-; and

29 ~~(4)(iii) For~~ for members participating in the arrangement with ~~the~~ a third-party administrator, ~~the~~  
 30 ~~department shall~~ directly cover any service required under federal or state law that is not available through the

1 arrangement with the third-party administrator.

2 ~~(5) The department shall:~~

3 ~~—— (a) seek federal authorization from the U.S. department of health and human services through a waiver~~  
 4 ~~authorized by 42 U.S.C. 1315 and other waivers or through other means, as may be necessary, to implement~~  
 5 ~~all of the provisions of Title 39, chapter 12, and this part; and~~

6 ~~—— (b) implement access to the health care services in accordance with the requirements necessary to~~  
 7 ~~receive the federal medical assistance percentage provided for by 42 U.S.C. 1396d(y).~~

8 (4) The department may contract with a third-party administrator for the services allowed under  
 9 subsections (1)(a) through (1)(f) only upon receipt of a federal waiver allowing a third-party administrator to  
 10 provide services in accordance with this part.

11 ~~(6) The department may provide medicaid-funded services to members eligible pursuant to 53-6-1304~~  
 12 ~~only upon federal approval of any necessary waivers. (Terminates June 30, 2019--sec. 28, Ch. 368, L. 2015.)"~~

13

14 **Section 34.** Section 53-6-1306, MCA, is amended to read:

15 **"53-6-1306. (Temporary) Copayments -- exemptions -- report Prohibition on copayments.** (1) A  
 16 program participant shall make copayments to health care providers for health care services received pursuant  
 17 to this part. The department may not require a program participant to make a copayment, to pay a coinsurance  
 18 amount, or to meet a deductible amount for any service covered under this part.

19 ~~(2) Except as provided in subsection (3), the department shall adopt a copayment schedule that reflects~~  
 20 ~~the maximum copayment amount allowed under federal law. The total amount of copayments collected under~~  
 21 ~~this section must be capped at the maximum amount allowed by federal law and regulations.~~

22 ~~—— (3) The department may not require a copayment for:~~

23 ~~—— (a) preventive health care services;~~

24 ~~—— (b) generic pharmaceutical drugs;~~

25 ~~—— (c) immunizations provided according to a schedule established by the department that reflects~~  
 26 ~~guidelines issued by the centers for disease control and prevention; or~~

27 ~~—— (d) medically necessary health screenings ordered by a health care provider.~~

28 ~~(4) Each health care provider participating in the third-party arrangement shall report the following~~  
 29 ~~information annually to the oversight committee on the Montana Health and Economic Livelihood Partnership Act:~~

30 ~~—— (a) the total amount of copayments that the provider was unable to collect from participants; and~~

1 ~~\_\_\_\_\_ (b) the efforts the health care provider made to collect the copayments. (Terminates June 30, 2019--sec-~~  
 2 ~~28, Ch. 368, L. 2015.)"~~

3

4 **Section 35.** Section 53-6-1307, MCA, is amended to read:

5 **"53-6-1307. (Temporary) Premiums -- collection of overdue premiums -- nonpayment as voluntary**

6 **disenrollment -- reenrollment -- exemptions.** (1) (a) A program participant shall pay an annual premium, billed  
 7 monthly, equal to ~~2%~~ a percentage of the participant's modified adjusted gross income as determined in  
 8 accordance with 42 U.S.C. 1396a(e)(14). The EXCEPT AS PROVIDED IN SUBSECTION (1)(B), THE premiums must:

9 (i) be set at 2% of a participant's income in the first 2 years the participant receives coverage under this  
 10 part; and

11 (ii) increase by 0.5% in each subsequent year that a participant receives coverage, up to a maximum of  
 12 5% 4% of the participant's income.

13 (B) A PROGRAM PARTICIPANT WHO IS EXEMPT FROM THE COMMUNITY ENGAGEMENT REQUIREMENTS AS ALLOWED  
 14 UNDER [SECTION 1] IS EXEMPT FROM THE PREMIUM INCREASES IN SUBSECTION (1)(A)(II).

15 ~~(b)(C)~~ Premiums paid pursuant to this section must be deposited in the general fund Montana HELP Act  
 16 special revenue account provided for in [section 6 5].

17 (2) Within 30 days of a participant's failure to make a required payment, the ~~third-party administrator~~  
 18 department or a third-party administrator administering the program, if any, shall notify the participant and the  
 19 department that payment is overdue and that all overdue premiums must be paid within 90 days of the date the  
 20 notification was sent.

21 (3) (a) If a participant with an income of 100% of the federal poverty level or less fails to make payment  
 22 for overdue premiums, the department shall provide notice to the department of revenue of the participant's failure  
 23 to pay. The department of revenue shall collect the amount due for nonpayment by assessing the amount against  
 24 the participant's annual income tax in accordance with Title 15, chapters 1 and 30.

25 (b) The debt remains until paid and may be collected through assessments against future income tax  
 26 returns or through a civil action initiated by the state.

27 (4) If a participant with an income of more than 100% but not more than 138% of the federal poverty level  
 28 fails to make the overdue payments within 90 days of the date the notification was sent, the department shall:

29 (a) follow the procedure established in subsection (3) for collection of the unpaid premiums; and

30 (b) consider the failure to pay to be a voluntary disenrollment from the program. The department may



1 reenroll a participant in the program upon payment of the total amount of overdue payments.

2 (5) If a participant who has failed to pay the premiums does not indicate that the participant no longer  
3 wishes to participate in the program, the department may reenroll the person in the program when the department  
4 of revenue assesses the unpaid premium through the participant's income taxes.

5 (6) Participants who meet two of the following criteria are not subject to the voluntary disenrollment  
6 provisions of this section:

7 (a) discharge from United States military service within the previous 12 months;

8 (b) enrollment for credit in any Montana university system unit, a tribal college, or any other accredited  
9 college within Montana offering at least an associate degree, subject to the provisions of subsection (7);

10 (c) participation in a workforce program or activity established under Title 39, chapter 12; or

11 (d) participation in any of the following healthy behavior plans developed by a health care provider or  
12 third-party administrator, if any, or approved by the department:

13 (i) a medicaid health home;

14 (ii) a patient-centered medical home;

15 (iii) a cardiovascular disease, obesity, or diabetes prevention program;

16 (iv) a program restricting the participant to obtaining primary care services from a designated provider  
17 and obtaining prescriptions from a designated pharmacy;

18 (v) a medicaid primary care case management program established by the department;

19 (vi) a tobacco use prevention or cessation program;

20 (vii) a medicaid waiver program providing coverage for family planning services;

21 (viii) a substance abuse treatment program; or

22 (ix) a care coordination or health improvement plan administered by the third-party administrator.

23 (7) A participant seeking an exemption under subsection (6) is not eligible for the education exemption  
24 provided for in subsection (6)(b) for more than 4 years. (~~Terminates June 30, 2019--sec. 28, Ch. 368, L. 2015.~~)"

25

26 **Section 36.** Section 53-6-1311, MCA, is amended to read:

27 **"53-6-1311. (Temporary) Medicaid program reforms.**(1) To ensure that the Montana medicaid  
28 program is administered efficiently and effectively, the department shall strengthen existing programs that  
29 manage the way members obtain approval for medical services and shall establish additional programs designed  
30 to reduce costs and improve medical outcomes. The efforts may include but are not limited to:

1 (a) establishing by rule requirements designed to strengthen the relationship between physicians and  
2 members enrolled in existing primary care case management programs;

3 (b) strengthening data-sharing arrangements with providers to reduce inappropriate use of emergency  
4 room services and overuse of other services;

5 (c) expanding to additional members any existing programs in which case managers and providers work  
6 with members with high-risk medical conditions to provide preventive care and advice and to make referrals for  
7 medical services;

8 (d) establishing, within existing funds, one or more pilot programs to improve the health of members,  
9 including but not limited to efforts to increase pain management, decrease emergency department overuse, and  
10 prevent drug or alcohol addiction or abuse;

11 (e) reviewing existing primary care case management programs to evaluate and improve their  
12 effectiveness; and

13 ~~(f) reducing fraud, waste, and abuse in the medicaid program before, during, and after enrollment by~~  
14 ~~enhancing technology system support to provide knowledge-based authentication for verifying the identity and~~  
15 ~~financial status of individuals seeking benefits, including the use of public records to confirm identity and flag~~  
16 ~~changes in demographics; and~~

17 ~~(g)~~(f) engaging members with chronic or other medical or behavioral health conditions in coordinated  
18 care models that more closely monitor and manage a member's health to reduce costs or improve medical  
19 outcomes. These coordinated care models may include but are not limited to:

20 (i) patient-centered medical homes;

21 (ii) accountable care organizations;

22 (iii) managed care organizations as defined in 42 CFR 438.2;

23 (iv) health improvement programs;

24 (v) health homes for behavioral health or other chronic conditions; and

25 (vi) changes to current service delivery methods.

26 (2) The department shall work to reduce fraud, waste, and abuse in the medicaid program before, during,  
27 and after enrollment by enhancing technology system support to provide knowledge-based authentication for  
28 verifying the identity and financial status of individuals seeking benefits, including the use of public records to  
29 confirm identity and flag changes in demographics.

30 ~~(2)~~(3) The department may ask a third-party administrator under contract with the department to assist

1 in efforts undertaken pursuant to ~~subsection (1)~~ subsections (1) and (2) when the activity can appropriately be  
 2 handled by ~~the~~ a third-party administrator.

3 ~~(3)(4)~~ A care coordination entity used to deliver medicaid services shall meet all state standards for  
 4 operation, including but not limited to solvency, consumer protection, nondiscrimination, network adequacy, care  
 5 model design, and fraud and abuse standards. ~~(Terminates June 30, 2019--sec. 28, Ch. 368, L. 2015.)"~~

6  
 7 ~~Section 33.~~ Section 53-6-1317, MCA, is amended to read:

8 ~~"53-6-1317. (Temporary) Duties of Montana HELP Act oversight committee -- reports~~ Report to  
 9 legislature. (1) To provide reports and make recommendations to the legislature, the oversight committee on  
 10 the Montana Health and Economic Livelihood Partnership Act shall review:

11 ~~(a) data from and activities by the department of public health and human services and the department~~  
 12 ~~of labor and industry related to the health care and workforce development activities undertaken pursuant to the~~  
 13 ~~HELP Act;~~

14 ~~(b) the Montana medicaid program; and~~

15 ~~(c) the delivery of health care services in Montana.~~

16 ~~(2) The departments~~ department shall report the following information to the oversight legislative finance  
 17 committee and the children, families, health, and human services interim committee quarterly:

18 ~~(a)(1) the number of individuals who were determined eligible for medicaid-funded services pursuant to~~  
 19 ~~53-6-1304;~~

20 ~~(b)(2) demographic information on program participants;~~

21 ~~(c)(3) the average length of time that participants remained eligible for medical assistance;~~

22 ~~(d) the number of participants who completed an employment or reemployment assessment;~~

23 ~~(e) the number of participants who took part in workforce development activities;~~

24 ~~(f)(4) the number of participants subject to the fee~~ fees provided for in 15-30-2660 and the total amount  
 25 ~~of fees collected;~~

26 ~~(5) the amount of money deposited in the Montana HELP act special revenue account, by source of~~  
 27 ~~funding;~~

28 ~~(g)(6) the level of participant engagement in wellness activities or incentives offered by health care~~  
 29 ~~providers or the third-party administrator~~ under this part;

30 ~~(7) the number of participants who took part in community engagement activities and the number who~~

1 ~~were disenrolled for failure to take part in community engagement activities;~~  
2 ~~—— (h)(8) the number of participants who reduced their dependency on the HELP Act program, either~~  
3 ~~voluntarily or because of increased income levels; and~~  
4 ~~—— (i)(9) the total cost of providing services under Title 39, chapter 12, and this part, including related~~  
5 ~~administrative costs.~~  
6 ~~—— (3) The committee shall review and provide comment on administrative rules proposed for carrying out~~  
7 ~~activities under Title 39, chapter 12, and this part. The committee may ask the appropriate administrative rule~~  
8 ~~review committee to object to a proposed rule as provided in 2-4-406.~~  
9 ~~—— (4) The committee shall:~~  
10 ~~—— (a) review how implementation of the act is being carried out, including the collection of copayments and~~  
11 ~~premiums for health care services;~~  
12 ~~—— (b) evaluate how health care services are delivered and whether new approaches could improve delivery~~  
13 ~~of care, including but not limited to the use of medical homes and coordinated care organizations;~~  
14 ~~—— (c) review ideas to reduce or minimize the shifting of the payment of unreimbursed health care costs to~~  
15 ~~patients with health insurance;~~  
16 ~~—— (d) evaluate whether providing incentives to health care providers for meeting measurable benchmarks~~  
17 ~~may improve the delivery of health care services;~~  
18 ~~—— (e) review options for reducing the inappropriate use of emergency department services;~~  
19 ~~—— (f) review ways to monitor for the excessive or inappropriate use of prescription drugs;~~  
20 ~~—— (g) examine ways to:~~  
21 ~~—— (i) promote the appropriate use of health care services, particularly laboratory and diagnostic imaging~~  
22 ~~services;~~  
23 ~~—— (ii) increase the availability of mental health services;~~  
24 ~~—— (iii) reduce fraud and waste in the medicaid program; and~~  
25 ~~—— (iv) improve the sharing of data among health care providers to identify patterns in the use of health care~~  
26 ~~services across payment sources;~~  
27 ~~—— (h) receive regular reports from the department on the department's efforts to pursue contracting options~~  
28 ~~for administering services to members eligible for medicaid-funded services pursuant to 53-6-1304;~~  
29 ~~—— (i) coordinate its efforts with any legislative committees that are working on matters related to health care~~  
30 ~~and the delivery of health care services; and~~

1 ~~\_\_\_\_\_ (j) recommend future funding options for the HELP Act program to future legislatures.~~  
 2 ~~\_\_\_\_\_ (5) The committee shall summarize and present its findings and recommendations in a final report to the~~  
 3 ~~governor and to the legislative finance committee no later than August 15 of each even-numbered year. Copies~~  
 4 ~~of the report must be provided to the children, families, health, and human services interim committee.~~  
 5 ~~(Terminates June 30, 2019--sec. 28, Ch. 368, L. 2015.)"~~

6  
 7 **NEW SECTION. SECTION 37. REPORT TO LEGISLATURE.** THE DEPARTMENT SHALL REPORT THE FOLLOWING  
 8 INFORMATION TO THE LEGISLATIVE FINANCE COMMITTEE AND THE CHILDREN, FAMILIES, HEALTH, AND HUMAN SERVICES  
 9 INTERIM COMMITTEE QUARTERLY:

10 (1) THE NUMBER OF INDIVIDUALS WHO WERE DETERMINED ELIGIBLE FOR MEDICAID-FUNDED SERVICES PURSUANT  
 11 TO 53-6-1304;

12 (2) DEMOGRAPHIC INFORMATION ON PROGRAM PARTICIPANTS;

13 (3) THE AVERAGE LENGTH OF TIME THAT PARTICIPANTS REMAINED ELIGIBLE FOR MEDICAL ASSISTANCE;

14 (4) THE NUMBER OF PARTICIPANTS SUBJECT TO THE FEES PROVIDED FOR IN 15-30-2660 AND THE TOTAL AMOUNT  
 15 OF FEES COLLECTED;

16 (5) THE AMOUNT OF MONEY DEPOSITED IN THE MONTANA HELP ACT SPECIAL REVENUE ACCOUNT, BY SOURCE  
 17 OF FUNDING;

18 (6) THE LEVEL OF PARTICIPANT ENGAGEMENT IN WELLNESS ACTIVITIES OR INCENTIVES OFFERED UNDER THIS  
 19 PART;

20 (7) THE NUMBER OF PARTICIPANTS WHO TOOK PART IN COMMUNITY ENGAGEMENT ACTIVITIES, THE NUMBER  
 21 WHOSE PROGRAM PARTICIPATION WAS SUSPENDED FOR FAILURE TO TAKE PART IN COMMUNITY ENGAGEMENT ACTIVITIES,  
 22 AND THE NUMBER WHO WERE DISENROLLED FROM THE PROGRAM FOR FAILURE TO REPORT A CHANGE IN CIRCUMSTANCES;

23 (8) THE NUMBER OF PARTICIPANTS WHO REDUCED THEIR DEPENDENCY ON THE HELP ACT PROGRAM, EITHER  
 24 VOLUNTARILY OR BECAUSE OF INCREASED INCOME LEVELS; AND

25 (9) THE TOTAL COST OF PROVIDING SERVICES UNDER THIS PART, INCLUDING RELATED ADMINISTRATIVE COSTS.

26  
 27 **Section 38.** Section 28, Chapter 368, Laws of 2015, is amended to read:

28 **"Section 28. Termination.** (1) [This act] terminates ~~June 30, 2019~~ December 31, 2019 ~~JANUARY 1, 2020~~  
 29 JUNE 30, 2025.

30 (2) The department may reapply for the same waiver received to implement the Montana Health and

1 Economic Livelihood Partnership Act program if the waiver expires before ~~June 30, 2019~~ December 31, 2019  
 2 JANUARY 1, 2020 JUNE 30, 2025."

3  
 4 **NEW SECTION. Section 39. Repealer.** The following section of the Montana Code Annotated is  
 5 repealed:

6 53-6-1316. Montana HELP Act oversight committee -- membership.

7  
 8 ~~NEW SECTION. Section 38. Repealer. Section 28, Chapter 368, Laws of 2015, is repealed.~~

9  
 10 **NEW SECTION. Section 40. Appropriations.** (1) There is appropriated \$3.5 million from the Montana  
 11 HELP Act special revenue account provided for in [section 6 5] to the department of labor and industry for the  
 12 biennium beginning July 1, 2019, for the HELP Act employer grant program provided for in ~~[section 9]~~ [SECTION  
 13 7] AND THE WORKFORCE DEVELOPMENT PROGRAM ACTIVITIES PROVIDED FOR IN 39-12-103.

14 (2) The following amounts are appropriated to the department of public health and human services for  
 15 the biennium beginning July 1, 2019, for the payment of costs, including benefits and administrative costs, of  
 16 providing health care services to individuals who are eligible for coverage under Title 53, chapter 6, part 13:

17	Fiscal Year 2020	\$678,185,000	<u>\$562,447,343</u>	federal special revenue
18		\$29,510,000	<u>\$31,657,493</u>	general fund
19		\$30,000,000	<u>\$33,165,464</u>	state special revenue
20	Fiscal Year 2021	\$685,606,000	<u>\$571,658,286</u>	federal special revenue
21		\$36,667,000	<u>\$40,174,374</u>	general fund
22		\$30,000,000	<u>\$35,200,535</u>	state special revenue

23 (3) The following amounts are appropriated to the department of public health and human services for  
 24 the biennium beginning July 1, 2019, for the payment of costs, including administrative costs, of providing health  
 25 care services to individuals who are eligible for coverage of health care costs under Title 53, chapter 6, part 1 or  
 26 part 13.

27	Fiscal year 2020	\$110,000,000	<u>\$217,278,228</u>	federal special revenue
28		\$25,000,000	<u>\$25,776,425</u>	state special revenue
29	Fiscal year 2021	\$110,000,000	<u>\$216,176,522</u>	federal special revenue
30		\$25,000,000	<u>\$26,613,993</u>	state special revenue

1           ~~(4)~~ THERE IS APPROPRIATED, AS A ONE-TIME-ONLY APPROPRIATION, \$550,000 FROM THE GENERAL FUND TO  
 2 THE DEPARTMENT OF REVENUE FOR THE PURPOSES OF UPDATING THE DEPARTMENT'S INTEGRATED TAX PROCESSING  
 3 SOFTWARE TO PROCESS THE TAXPAYER INTEGRITY FEES REQUIRED UNDER 15-30-2660.

4           ~~(4)~~(5) (a) Money from the Montana HELP Act special revenue account provided for in [section 6 5] must  
 5 be used for the state special revenue appropriated under subsection (2).

6           (b) Money from the special revenue account provided for in 53-6-149 must be used for the state special  
 7 revenue appropriated under subsection (3).

8  
 9           NEW SECTION. Section 41. Transition -- direction to department of public health and human

10 **services -- notification to legislature.** (1) The legislature directs the department of public health and human  
 11 services to notify the centers for medicare and medicaid services that passage and approval of [this act]  
 12 constitutes legislative authorization to continue the current research and demonstration project approved under  
 13 waiver No. 11-W00300/8 for the Montana Health and Economic Livelihood Partnership (HELP) Program  
 14 Demonstration through December 31, 2020.

15           (2) The legislature directs the department of public health and human services to:

16           (a) apply no later than August 30, 2019, to the centers for medicare and medicaid services for any  
 17 waivers needed to implement the provisions of [this act]; and

18           (b) carry out any activities before August 30, 2019, that are needed in order to develop and submit waiver  
 19 proposals by August 30, 2019, including but not limited to:

20           (i) presenting any section 1115 waiver proposals to the medicaid advisory council and the children,  
 21 families, health, and human services interim committee prior to submission to the centers for medicare and  
 22 medicaid services, as required under 53-2-215;

23           (ii) providing for a public comment period at least 60 days before submission as required under 53-2-215;  
 24 and

25           (iii) complying with any other public comment provisions required under federal law or regulation.

26           (3) The legislature directs the department of public health and human services to notify individuals  
 27 enrolled in medicaid pursuant to Title 53, chapter 6, part 13, of the proposed changes to the program and the time  
 28 periods within which the individuals would have to comply with the requirements of [this act] if the centers for  
 29 medicare and medicaid services approves any waivers submitted to carry out the provisions of [this act].  
 30 Notification may be made at the time any waiver proposal is submitted or approved, at the department's

1 discretion.

2 (4) The director of the department shall notify the legislative finance committee and the children, families,  
3 health, and human services interim committee of:

4 (a) the date on which waiver approval is received or denied; and

5 (b) if waiver approval is received, the date on which the community engagement requirements are  
6 implemented.

7  
8 **NEW SECTION. Section 42. Notification to tribal governments.** The secretary of state shall send  
9 a copy of [this act] to each tribal government located on the seven Montana reservations and to the Little Shell  
10 Chippewa tribe.

11  
12 **NEW SECTION. Section 43. Codification instruction.** (1) [Sections 1 through 6 5 AND 37] are intended  
13 to be codified as an integral part of Title 53, chapter 6, part 13, and the provisions of Title 53, chapter 6, part 13,  
14 apply to [sections 1 through 6 5 AND 37].

15 (2) [~~Section 7~~] is intended to be codified as an integral part of Title 27, chapter 1, part 7, and the  
16 provisions of Title 27, chapter 1, part 7, apply to [~~section 7~~].

17 (3)(2) [Section 8 6] is intended to be codified as an integral part of Title 33, chapter 2, part 7, and the  
18 provisions of Title 33, chapter 2, part 7, apply to [section 8 6].

19 (4)(3) [Section 9 7] is intended to be codified as an integral part of Title 39, chapter 12, and the provisions  
20 of Title 39, chapter 12, apply to [section 9 7].

21  
22 ~~**NEW SECTION. Section 48. Nonseverability.** It is the intent of the legislature that each part of [this  
23 act] is essentially dependent upon every other part, and if one part is held unconstitutional or invalid, all other  
24 parts are invalid.~~

25  
26 **NEW SECTION. SECTION 44. SEVERABILITY.** IF A PART OF [THIS ACT] IS INVALID, ALL VALID PARTS THAT ARE  
27 SEVERABLE FROM THE INVALID PART REMAIN IN EFFECT. IF A PART OF [THIS ACT] IS INVALID IN ONE OR MORE OF ITS  
28 APPLICATIONS, THE PART REMAINS IN EFFECT IN ALL VALID APPLICATIONS THAT ARE SEVERABLE FROM THE INVALID  
29 APPLICATIONS.

30



1            NEW SECTION. Section 45. Contingent voidness -- notification to code commissioner. ~~(1) If the~~  
 2 ~~centers for medicare and medicaid services fails to approve the waivers needed to implement the provisions of~~  
 3 ~~[sections 1, 2, and 5] in the manner approved by the legislature, then [this act] is void.~~

4            ~~(2)(1)~~ If the centers for medicare and medicaid services fails to provide any waivers necessary to  
 5 implement the premium provisions of ~~[section 38(1) 36(1) 31(1) 35(1)]~~, then the amendments to 53-6-1307(1) in  
 6 ~~[section 38(1) 36(1) 31(1) 35(1)]~~ are void.

7            ~~(3)(2)~~ The director of the department shall notify the code commissioner of the occurrence of any  
 8 determination made under this section and the date of the occurrence.

9  
 10           NEW SECTION. Section 46. Effective dates. (1) Except as provided in subsections (2) through (4),  
 11 ~~[this act] is effective July 1, 2019.~~

12           ~~(2) [Section 7] is effective October 1, 2019.~~

13           ~~(3)(2) [Sections 1 through 5 4 and sections 33, 34, 37, 38, 39, and 43 31, 32, 35, 36, 37, AND 41 26, 27,~~  
 14 ~~30, 32, 31, 32, AND 36 30, 31, 34, 35(1)(A) AND (1)(B), AND 36] are effective January 1, 2020.~~

15           ~~(4)(3) [Sections 40 through 42, 45 through 49, and 51] and this section 38 THROUGH 40 AND 43 THROUGH~~  
 16 ~~50 33 THROUGH 35 AND 38 THROUGH 45 37 THROUGH 39 AND 41 THROUGH 48] are effective on passage and~~  
 17 approval.

18  
 19           NEW SECTION. Section 47. Applicability. An individual enrolled in the expanded medicaid program  
 20 provided for in Title 53, chapter 6, part 13, on the date the centers for medicare and medicaid services approves  
 21 a waiver authorizing community engagement requirements ~~and health risk and employment readiness~~  
 22 ~~assessments shall:~~

23           ~~\_\_\_\_\_ (1) complete the health risk and employment readiness assessments within 6 months of approval of the~~  
 24 ~~waiver; and~~

25           ~~\_\_\_\_\_ (2) SHALL~~ comply with the community engagement requirements of [this act] within ~~90~~ 180 days of the  
 26 date the department of public health and human services has implemented the community engagement  
 27 requirements.

28  
 29           NEW SECTION. SECTION 48. TERMINATION -- CONTINGENCY -- INTENT. (1) IF A COURT OF FINAL DISPOSITION  
 30 FINDS THAT THE COMMUNITY ENGAGEMENT REQUIREMENTS PROVIDED FOR IN [SECTION 1] ARE INVALID, [THIS ACT]

1 TERMINATES JUNE 30, 2025.

2 (2) IT IS THE INTENT OF THE LEGISLATURE THAT IF THE CONTINGENCY PROVIDED FOR IN SUBSECTION (1) OCCURS,  
3 THE LEGISLATURE HAS AN OPPORTUNITY TO CONSIDER ISSUES OF PROGRAM INTEGRITY, REFORM, AND  
4 COST-EFFECTIVENESS TO DETERMINE WHETHER [THIS ACT] SHOULD CONTINUE.

5 (3) [SECTIONS 19 AND 20] REGARDING SUPPLEMENTAL TRANSFERS TERMINATE JUNE 30, 2021.

6 - END -