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HOUSE BILL NO. 484
INTRODUCED BY J. GILLETTE

A BILL FOR AN ACT ENTITLED: "AN ACT REQUIRING STATE-RELATED HEALTH BENEFIT PROGRAMS TO PARTICIPATE IN A SECURE STATEWIDE HEALTH INFORMATION EXCHANGE; ENABLING STATE AGENCIES TO PRIVATELY AND SECURELY SHARE INFORMATION WITH THE EXCHANGE; AND AMENDING SECTIONS 2-18-811, 20-25-1303, AND 20-25-1403, MCA."

WHEREAS, Montana has established a network that provides for the secure exchange of and access to health data so health care providers and systems may receive and utilize real-time and comprehensive patient-specific data to improve clinical care and patient decisionmaking.

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

NEW SECTION. Section 1. Department to participate in health information exchange -- sharing of data. (1) The department shall provide eligibility information and clinically relevant data from claims for the following programs to a secure system established to allow for the statewide electronic exchange of information among health care providers, facilities, and payers:

- (a) the healthy Montana kids plan provided for in Title 53, chapter 4, part 11; and
- (b) the medicaid program provided for in Title 53, chapter 6.

(2) The department may:

- (a) share information under this section only with an electronic system that is able to ensure the privacy and security of the data reported to the system; and
- (b) enter into any contract or agreement necessary for participating in the electronic exchange of information.

Section 2. Section 2-18-811, MCA, is amended to read:

1 **"2-18-811. General duties of department.** The department shall:

2 (1) adopt rules for the conduct of its business under this part and to carry out the purposes of this
3 part;

4 (2) negotiate and administer contracts for state employee group benefit plans for a period not to
5 exceed 10 years;

6 (3) design state employee group benefit plans, establish specifications for bids, and make
7 recommendations for acceptance or rejection of bids;

8 (4) prepare an annual report that describes the state employee group benefit plans being
9 administered, details the historical and projected program costs and the status of reserve funds, and makes
10 recommendations, if any, for change in existing state employee group benefit plans;

11 ~~(5)~~ provide eligibility information and clinically relevant data from claims related to the group benefits
12 plans to a system established in this state that is:

13 ~~(a)~~ designed to allow for the statewide electronic exchange of information among health care
14 providers, facilities, and payers; and

15 ~~(b)~~ able to ensure the privacy and security of data reported to the system;

16 ~~(5)(6)~~ prior to each legislative session, perform or obtain an analysis of rate adequacy of all state
17 employee group benefit plans administered under this part; and

18 ~~(6)(7)~~ submit the report required in this section to the office of budget and program planning as a part
19 of the information required by 17-7-111."

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21 **Section 3.** Section 20-25-1303, MCA, is amended to read:

22 **"20-25-1303. Duties of commissioner -- group benefits plans and employee premium levels not**
23 **mandatory subjects for collective bargaining.** (1) The commissioner shall:

24 (a) design group benefits plans and establish premium levels for employees;

25 (b) establish specifications for bids and accept or reject bids for administering group benefits plans;

26 (c) negotiate and administer contracts for group benefits plans;

27 (d) prepare an annual report that:

28 (i) describes the group benefits plans being administered; and

1 (ii) details the historical and projected program costs and the status of reserve funds; and
 2 (e) adopt policies for the conduct of business of the advisory committee and to carry out the
 3 provisions of this part.

4 (2) The provisions of Title 33 do not apply to the commissioner when exercising the duties provided
 5 for in this part.

6 (3) The design or modification of group benefits plans and the establishment of employee premium
 7 levels are not mandatory subjects for collective bargaining under Title 39, chapter 31.

8 (4) The commissioner shall provide or arrange to provide eligibility information and clinically relevant
 9 data from claims related to the group benefits plans to a system established in this state that is:

10 (a) designed to allow for the statewide electronic exchange of information among health care
 11 providers, facilities, and payers; and

12 (b) able to ensure the privacy and security of data reported to the system."
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14 **Section 4.** Section 20-25-1403, MCA, is amended to read:

15 **"20-25-1403. Authorization to establish self-insured health plan for students -- requirements --**
 16 **exemption.** (1) The commissioner may establish a self-insured student health plan for enrolled students of the
 17 system and their dependents, including students of a community college district. In developing a self-insured
 18 student health plan, the commissioner shall:

19 (a) maintain the plan on an actuarially sound basis;

20 (b) maintain reserves sufficient to liquidate the unrevealed claims liability and other liabilities of the
 21 plan; and

22 (c) deposit all reserve funds, contributions and payments, interest earnings, and premiums paid to the
 23 plan. The deposits must be expended for claims under the plan and for the costs of administering the plan,
 24 including but not limited to the costs of hiring staff, consultants, actuaries, and auditors, purchasing necessary
 25 reinsurance, and repaying debts.

26 (2) Prior to the implementation of a self-insured student health plan, the commissioner shall consult
 27 with affected parties, including but not limited to the board of regents and representatives of enrolled students
 28 of the system.

