

HOUSE BILL NO. 498

INTRODUCED BY K. WILLIAMS

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4 A BILL FOR AN ACT ENTITLED: "AN ACT REVISING HEALTH CARE PROVIDER NETWORK DISCLOSURE
5 LAWS; PROVIDING ADDITIONAL INFORMATION AND CONTROL TO HEALTH CARE CONSUMERS;
6 PROVIDING CONSUMER NOTICE PROCEDURES FOR NONNETWORK HEALTH CARE COSTS; PROVIDING
7 CONDITIONS FOR A CONSUMER REQUESTING INFORMATION REGARDING NONNETWORK HEALTH
8 CARE COSTS; AMENDING SECTIONS 50-4-504, 50-4-511, 50-4-512, 50-4-517, AND 50-4-518, MCA; AND
9 PROVIDING AN EFFECTIVE DATE."

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

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

14 **"50-4-504. Definitions.** As used in this part, the following definitions apply:

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

23
24 **Section 2.** Section 50-4-511, MCA, is amended to read:

25 **"50-4-511. Legislative purpose.** The purpose of 50-4-510 through 50-4-512 is to provide health care
26 consumers with better information on and control over the cost of their medical care and to introduce elements
27 of competition into the marketplace."
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29 **Section 3.** Section 50-4-512, MCA, is amended to read:

30 **"50-4-512. Disclosures required of health care providers.** (1) Upon request of a patient or a patient's

1 agent, a health care provider, outpatient center for surgical services, clinic, or hospital shall provide the patient
 2 or the patient's agent with its estimated charge for a health care service or course of treatment that exceeds \$500.
 3 The estimate must be provided for a service that a patient is receiving or has been recommended to receive and
 4 must indicate whether the health care provider participates in the insurer's provider network. The estimate must
 5 be provided at the time the service is scheduled or within 10 business days of the patient's or agent's request,
 6 whichever is sooner.

7 (2) The patient or patient's agent may request that the information required under this section be
 8 provided in writing or electronically.

9 (3) The estimated charge:

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

11 (b) except if the patient elects to opt out under subsection (6), is not a binding contract upon the parties;

12 and

13 (c) is not a guarantee that the estimated amount will be the charged amount or will account for
 14 unforeseen conditions-; and

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

17 (a) in writing at the time the medical care or service is scheduled; and

18 (b) in a posted notice, prominently displayed, in the health care provider's waiting room and billing office.

19 (5) The health care providers will inform the patient if other health care providers may be necessary to
 20 the completion of the required medical care and indicate that the estimate of those charges must be obtained
 21 from that provider separately.

22 (6) The health care provider shall offer the patient the opportunity to opt out of receiving services from
 23 a nonparticipating health care provider during a medical procedure or course of treatment involving several
 24 different health care providers.

25 (7) This section does not apply to emergency medical services provided for the treatment of an
 26 emergency medical condition."

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

29 **"50-4-517. Legislative purpose.** The purpose of 50-4-516 through 50-4-518 is:

30 (1) to provide health care consumers with better information on and control over ~~regarding~~ the portion

1 of their health care costs that will be paid by their health insurer and the portion that they will have to pay
2 themselves; and

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

6 **"50-4-518. Disclosures required of health insurers -- limitations.** (1) When requested by an insured
7 or the insured's agent, a health insurer shall provide a summary of the insured's coverage for a specific health
8 care service or course of treatment when an actual charge or estimate of charges by a health care provider,
9 outpatient center for surgical services, clinic, or hospital exceeds \$500. The request must be made orally or in
10 writing, including electronic delivery, and must be provided at the time the service is scheduled or within 10
11 business days of the patient's or agent's request, whichever is sooner.

12 (2) The insured or insured's agent may request that the information required under this section be
13 provided in writing or electronically.

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

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

20 (5) The summary of charges must include information about out-of-pocket charges if the insured incurs
21 charges from nonparticipating health care providers.

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

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

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29 **NEW SECTION. Section 6. Effective date.** [This act] is effective January 1, 2016.

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