

1 SENATE BILL NO. 236

2 INTRODUCED BY S. MORIGEAU

3
4 A BILL FOR AN ACT ENTITLED: "AN ACT REVISING LAWS RELATING TO A PATIENT'S RIGHT TO KNOW
5 THE COSTS OF MEDICAL CARE AND COVERAGE; REQUIRING CERTAIN HEALTH CARE FACILITIES TO
6 PROVIDE COST INFORMATION; ESTABLISHING PROCEDURES FOR INFORMING CONSUMERS ABOUT
7 OUT-OF-NETWORK HEALTH CARE COSTS; AND AMENDING SECTIONS 33-1-1112, 50-4-504, 50-4-511,
8 50-4-512, 50-4-517, AND 50-4-518, MCA."

9
10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

11
12 NEW SECTION. Section 1. Duty to provide cost estimates. A health care provider as defined in
13 50-4-504 shall provide cost estimates on request in accordance with the provisions of Title 50, chapter 4, part 5.

14
15 NEW SECTION. Section 2. Information required of health care facilities. (1) A health care facility
16 shall provide a patient or a patient's authorized agent with its estimated charge for a health care treatment,
17 surgery, or procedure that has been recommended for the patient and is expected to exceed \$500. The
18 estimated charge must:

19 (a) include the procedure codes under which each known element of the treatment, surgery, or
20 procedure are typically billed;

21 (b) indicate in which health insurer provider networks the health care provider participates;

22 (c) disclose whether any other health care providers will bill the patient separately for services related
23 to the health care treatment, surgery, or procedure;

24 (d) indicate whether an estimate of the potential charges by other health care providers whose
25 services may be needed must be obtained separately from those providers;

26 (e) advise the patient or agent to check with the patient's health insurer to determine whether any of
27 the known health care providers who may be needed to complete the health care treatment, surgery, or
28 procedure participate in the patient's insurance network; and

1 (f) provide notice that the patient may incur additional, unforeseen costs due to complications that
 2 may occur at the time of the treatment, surgery, or procedure or that may arise because of the patient's existing
 3 medical condition.

4 (2) A health care facility that refers a patient to another provider or facility is not required to notify the
 5 patient about the insurance network status of the provider to whom the patient is referred.

6 (3) When a patient is being transferred, in a nonemergency situation, between health care facilities or
 7 between a critical access hospital and a health care facility, the two entities shall coordinate efforts to ensure
 8 that the patient receives information about the insurance networks in which the receiving entity participates.

9 (4) This section does not apply to:

10 (a) a health care treatment, surgery, or procedure provided for the treatment of an emergency
 11 condition; or

12 (b) the provision of any health care service, including but not limited to a biopsy or laboratory test,
 13 during or following a scheduled procedure if the service was emergent or medically required under
 14 circumstances discovered during the procedure.

15

16 **Section 3.** Section 33-1-1112, MCA, is amended to read:

17 **"33-1-1112. Subject to state laws.** A person or entity unable to show that it is subject to the
 18 jurisdiction of another agency of this or another state, ~~or any a political~~ subdivision thereof of this state or
 19 another state, or the federal government is subject to all appropriate provisions of this code and to the
 20 provisions of Title 50, chapter 4, part 5, regarding the conduct of its business."

21

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

23 **"50-4-504. Definitions.** As used in this part, the following definitions apply:

24 (1) "Authorized agent" or "agent" means a person or entity:

25 (a) authorized under federal or state law to receive health care information about a patient; and

26 (b) to whom the patient has provided a written authorization to obtain the information allowed under
 27 this part on their behalf.

28 (4)(2) "Health care" includes both physical health care and mental health care.

1 (3) "Health care facility" means any of the following as defined in 50-5-101:

2 (a) a hospital;

3 (b) an outpatient center for primary care; or

4 (c) an outpatient center for surgical care.

5 ~~(2)~~(4) "Health care provider" or "provider" means ~~a person~~an individual who is licensed, certified, or
6 otherwise authorized by the laws of this state to provide health care in the ordinary course of business or
7 practice of a profession.

8 ~~(3)~~(5) "Health insurer" means any health insurance company, health service corporation, health
9 maintenance organization, insurer providing disability insurance as described in 33-1-207, multiple employer
10 welfare arrangement authorized under Title 33, chapter 35, and to the extent permitted under federal law, any
11 administrator of an insured, self-insured, or publicly funded health care benefit plan offered by public and
12 private entities."
13

14 **Section 5.** Section 50-4-511, MCA, is amended to read:

15 **"50-4-511. Legislative purpose.** The purpose of 50-4-510 through 50-4-512 is to provide health care
16 consumers with better information on and control over the cost of their medical care and to introduce elements
17 of competition into the marketplace."
18

19 **Section 6.** Section 50-4-512, MCA, is amended to read:

20 **"50-4-512. Disclosures required of health care providers and critical access hospitals.** (1) Upon
21 request of a patient or a patient's authorized agent, a health care provider, ~~outpatient center for surgical~~
22 ~~services, clinic, or hospital~~ or critical access hospital as defined in 50-5-101 shall provide the patient or the
23 patient's agent with ~~its~~the estimated charge for a health care service or course of treatment that exceeds \$500.
24 The estimate must be provided for a service that a patient is receiving or has been recommended to receive.
25 The estimate must be provided at the time the service is scheduled or within 10 business days of the patient's
26 or agent's request, whichever is sooner.

27 (2) (a) A health care provider or critical access hospital shall advise patients of their rights under 50-
28 4-518 and this section by posting notices in readily visible areas:

1 (i) in each of the provider's or hospital's patient registration areas; and

2 (ii) on the provider's or hospital's website if a website is available.

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

5 (3) The estimated charge:

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

8 (b) is not a binding contract upon the parties; and

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

11

12 **Section 7.** Section 50-4-517, MCA, is amended to read:

13 **"50-4-517. Legislative purpose.** The purpose of 50-4-516 through 50-4-518 is:

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

17 (2) to introduce elements of competition into the marketplace."

18

19 **Section 8.** Section 50-4-518, MCA, is amended to read:

20 **"50-4-518. Disclosures required of health insurers -- limitations.** (1) (a) When requested by an
21 insured or the insured's authorized agent, a health insurer shall provide a summary of the insured's coverage
22 for a specific health care ~~service or course of treatment, surgery, or procedure~~ when:

23 (i) an actual charge or estimate of charges by a health care provider, ~~outpatient center for surgical~~
24 services, clinic, or critical access hospital exceeds \$500; or

25 (ii) a health care facility has provided an estimate of charges as required in [section 1].

26 (b) The summary of coverage must include the estimated amount the insurer will pay and the
27 estimated amount the insured will owe.

28 (2) The insured or insured's agent may request the information verbally or in writing, including making

1 the request electronically, and may request that the information required under this section be provided in
2 writing or electronically.

3 (3) The health insurer shall provide the requested information within 10 business days of the request.
4 If the insured or the agent agrees, the insurer may provide the information through an online tool that provides
5 information satisfying the requirements of subsection (1).

6 (4) An insurer shall provide insureds with access to a list of providers who participate in the insurer's
7 provider networks.

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

11 (6) This section does not apply to a health care treatment, surgery, or procedure provided for the
12 treatment of an emergency condition."

13
14 **NEW SECTION. Section 9. Codification instruction.** (1) [Section 1] is intended to be codified as an
15 integral part of Title 37, chapter 2, part 3, and the provisions of Title 37, chapter 2, part 3, apply to [section 1].

16 (2) [Section 2] is intended to be codified as an integral part of Title 50, chapter 4, part 5, and the
17 provisions of Title 50, chapter 4, part 5, apply to [section 2].

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