

SENATE BILL NO. 523

INTRODUCED BY C. POPE

A BILL FOR AN ACT ENTITLED: "AN ACT GENERALLY REVISING MEDICAID SERVICES REIMBURSEMENT; REQUIRING A CONTRACT WITH A PROVIDER WHO IS NOT A PHYSICIAN TO INCLUDE AN ANNUAL COST OF LIVING ADJUSTMENT PROVISION; AMENDING SECTION 53-6-125, MCA; AND PROVIDING AN EFFECTIVE DATE."

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

Section 1. Section 53-6-125, MCA, is amended to read:

"53-6-125. Physician Medicaid services reimbursement. (1) (a) The fee for a covered service provided by a physician under the medicaid program is determined by multiplying the conversion factor times the relative value unit for that service times any applicable policy adjusters.

(2) (a) For fiscal years 2018 and 2019, the conversion factor must be increased, at a minimum, by the same numerical inflation factor calculated in accordance with 20-9-326.

(b) For each subsequent fiscal year, the conversion factor must be increased, at a minimum, by the same percentage increase as the consumer price index for medical care for the previous year, as calculated by the bureau of labor statistics of the United States department of labor.

(2) (a) A contract with a provider who is not a physician must include a provision to increase, as provided in subsection (2)(b), the fee of a covered service in relation to increases to cost of living.

(b) The fee of a covered service under a contract subject to this subsection (2) must be adjusted, at a minimum, by the same percentage increase as the consumer price index for similar services for the previous year, as calculated by the bureau of labor statistics of the United States department of labor. The adjustment must be made and applied every 12 months for the term of the contract."

NEW SECTION. Section 2. Effective date. [This act] is effective July 1, 2025.

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