

2017 Montana Legislative Changes

What to take away

- Changes from the 2017 Legislative Session
- Questions about Montana law, administrative rules and compliance
- Increase knowledge of and compliance with Montana insurance law

Facts and Figures

- 2,614 bill drafts requests
- 1,041 bills introduced
- 436 bills signed into law
- 8 bills became law without Governor's signature
- 55 bills vetoed

HB 24



- Provide protections to vulnerable persons from financial exploitation
- Provides some immunity for reporting in good faith to Securities Commissioner and delaying disbursements
- Also provides an option for notifying a closely connected 3rd party

HB 73

- Regulate certain air ambulance MEMBERSHIPS as insurance
- Removes exemption from insurance regulation
- Establishes fees, licensing, form filing and recordkeeping requirements



HB 120

- Revise insurance laws pertaining to NAIC accreditation
- Corporate governance annual disclosure requirements
- Adding Risk Based Capital laws for HMOs
- Effective October 1, 2017



HB 137

- Generally revise securities and insurance laws pertaining to the State Auditor (DOI -Housekeeping Bill)
- Remove reference to Insure Montana program
- Language clean up
- Effective October 1, 2017



HB 138

- In Montana, smaller producers are unable to secure appointments with certain insurance companies because they fail to meet production volume criteria.
- Membership in organizations or associations can allow these producers greater access to coverage options for their clients.

HB 138

- This bill creates language to address these relationships in conjunction with existing code regarding insurance company appointment language.
- This language is introduced to clarify the relationship between producers, "general agent" and companies offering the coverage
- Effective on passage and approval

HB 145

- Adopt NAIC model legislation regarding Annuities
- Pass compliance language with NAIC standards in regard to annuities
- Company tracks training requirement
- Effective on passage and approval

NAIC = National Association of Insurance Commissioners

SB 44

- Provide process to hold patients harmless from balance billing by air ambulance
- Provide requirements for dispute resolution for air ambulance providers and insurers; Providing disclosures by air ambulance services; providing rule making authority
- Effective on passage and approval



SB 58



- Prohibit the use of \$0 claims for insurance policy cancellation or renewal
- An insurer may not consider an insured's inquiries that do not result in payment for personal lines in considering an application for, renewal of, or change in a policy as defined in MCA 33-15-102
- Effective October 1, 2017

SB 222

- Revise insurance laws relating to annuity surrender fees
- An annuity product may not charge a surrender penalty after 10 years from date of issue.
- Effective October 1, 2017



SB 245

- Revise captive insurance laws
- Allows for inactive captive insurance companies to apply for a dormant status
- Effective upon passage and approval



HB 175

- Medical Savings account revisions
- Title 15
- Applicable in medical insurance considerations



HB 276

- **Revise Reimbursements for Pharmacies**
- If using reference pricing, a plan sponsor, health insurance issuer, or pharmacy benefit manager shall:
 - (a) review and update no less than every 10 business days the price information for each drug, product, supply, or service for which reference pricing is used; and
 - (b) provide a process for each pharmacy to readily access the reference pricing specific to the plan sponsor or the health insurance issuer's plan.
- A plan sponsor, health insurance issuer, or pharmacy benefit manager may not prohibit a pharmacist from discussing reimbursement criteria with a patient.

HB 276



- "Reference pricing" means a calculation for the price of a pharmaceutical that uses the most current nationally recognized reference price or amount to set the reimbursement for prescription drugs and other products, supplies, and services covered by a network contract between a plan sponsor, health insurance issuer, or pharmacy benefit manager and a pharmacy or pharmacist."

Interim Studies

STUDYING IN PROGRESS!



- #1 Ranked Study of all Legislators
 - **HJ 20** Interim Study of Transparency in Health Care Pricing
- #3 Ranked Study of all Legislators
 - **HJ 17** Interim Study of Prescription Drug Pricing

Any Questions?


