

SENATE BILL NO. 366

INTRODUCED BY FRANKLIN, KENNEDY, PIPINICH, JACOBSON,  
BROOKE, HALLIGAN, YELLOWTAIL, DOHERTY, ECK, BRUSKI,  
MANNING, VAUGHN, HARDING, RUSSELL, CODY,  
WATERMAN, L. NELSON, HANSEN, S. RICE, BECKER,  
STRIZICH, MESSMORE, DARKO, BARNHART,  
HARRINGTON, BRADLEY, WYATT, REAM, COCCHIARELLA,  
KADAS, BIANCHI, CONNELLY

IN THE SENATE

FEBRUARY 13, 1991                   INTRODUCED AND REFERRED TO COMMITTEE  
ON BUSINESS & INDUSTRY.

FIRST READING.

FEBRUARY 19, 1991                   COMMITTEE RECOMMEND BILL  
DO PASS AS AMENDED. REPORT ADOPTED.

FEBRUARY 20, 1991                   PRINTING REPORT.

FEBRUARY 21, 1991                   SECOND READING, DO PASS.

FEBRUARY 22, 1991                   ENGROSSING REPORT.

THIRD READING, PASSED.  
AYES, 39; NOES, 11.

TRANSMITTED TO HOUSE.

IN THE HOUSE

MARCH 4, 1991                   INTRODUCED AND REFERRED TO COMMITTEE  
ON HUMAN SERVICES & AGING.

FIRST READING.

MARCH 23, 1991                   COMMITTEE RECOMMEND BILL BE  
CONCURRED IN AS AMENDED. REPORT  
ADOPTED.

APRIL 6, 1991                   SECOND READING, CONCURRED IN.

ON MOTION, RULES SUSPENDED. BILL  
PLACED ON THIRD READING THIS DAY.

THIRD READING, CONCURRED IN.  
AYES, 68; NOES, 28.

RETURNED TO SENATE WITH AMENDMENTS.

IN THE SENATE

APRIL 17, 1991

RECEIVED FROM HOUSE.

SECOND READING, AMENDMENTS  
CONCURRED IN.

APRIL 18, 1991

THIRD READING, AMENDMENTS  
CONCURRED IN.

APRIL 19, 1991

SENT TO ENROLLING.

REPORTED CORRECTLY ENROLLED.

1 *Senate* BILL NO. *366*  
 2 INTRODUCED BY *Rep. Ken Kennedy, Republican*  
 3 *Rep. Bryan Helmer, Republican, Edh. Craig*  
 4 *Richard E. Manning, Democrat, Harding, E. Wood*  
 5 *Alvin White, Republican, Steve Frank*  
 6 *At. Messmore, Nalle, Blawie, Hammett*  
 7 *Wynn, Ream, Cocchiulla, Kados, Beardsley, Connelly*  
 8 A BILL FOR AN ACT ENTITLED: "AN ACT REQUIRING HEALTH  
 9 INSURERS AND HEALTH MAINTENANCE ORGANIZATIONS TRANSACTING  
 10 BUSINESS IN THIS STATE TO PROVIDE COVERAGE FOR MINIMUM  
 11 MAMMOGRAPHY EXAMINATIONS; AMENDING SECTIONS 33-31-102 AND  
 12 53-6-101, MCA; AND PROVIDING AN APPLICABILITY DATE."

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

11 NEW SECTION. **Section 1.** Coverage for mammography  
 12 examinations. (1) Each group or individual disability  
 13 policy, certificate of insurance, and membership contract  
 14 that is delivered, issued for delivery, renewed, extended,  
 15 or modified in this state and that provides coverage for a  
 16 family member of the insured or subscriber must provide  
 17 minimum mammography examination coverage.

18 (2) For the purpose of this section, "minimum  
19 mammography examination" means:

- 20 (a) one baseline mammogram for a woman who is 35 years  
21 of age or older and under 40 years of age;
- 22 (b) a mammogram every 2 years for any woman who is 40  
23 years of age or older and under 50 years of age or more  
24 frequently if recommended by the woman's physician; and
- 25 (c) a mammogram each year for a woman who is 50 years

1 of age or older.  
 2 (3) These services are subject to the terms of the  
 3 applicable group or individual disability policy,  
 4 certificate of insurance, or membership contract that  
 5 establishes durational limits, dollar limits, deductibles,  
 6 and copayment provisions as long as the terms are not less  
 7 favorable than for physical illness generally.

8 **Section 2.** Section 33-31-102, MCA, is amended to read:

9 "33-31-102. **Definitions.** As used in this chapter,  
10 unless the context requires otherwise, the following  
11 definitions apply:

- 12 (1) "Basic health care services" means:
- 13 (a) consultative, diagnostic, therapeutic, and referral  
14 services by a provider;
- 15 (b) inpatient hospital and provider care;
- 16 (c) outpatient medical services;
- 17 (d) medical treatment and referral services;
- 18 (e) accident and sickness services by a provider to  
19 each newborn infant of an enrollee pursuant to  
20 33-31-301(3)(e);
- 21 (f) care and treatment of mental illness, alcoholism,  
22 and drug addiction;
- 23 (g) diagnostic laboratory and diagnostic and  
24 therapeutic radiologic services;
- 25 (h) preventive health services, including:



1 (i) immunizations;  
 2 (ii) well-child care from birth;  
 3 (iii) periodic health evaluations for adults;  
 4 (iv) voluntary family planning services;  
 5 (v) infertility services; and  
 6 (vi) children's eye and ear examinations conducted to  
 7 determine the need for vision and hearing correction; and  
 8 (i) minimum mammography examination, as defined in  
 9 [section 1]; and  
 10 ~~(i)~~(j) treatment for phenylketonuria. "Treatment" means  
 11 licensed professional medical services under the supervision  
 12 of a physician and a dietary formula product to achieve and  
 13 maintain normalized blood levels of phenylalanine and  
 14 adequate nutritional status.

15 (2) "Commissioner" means the commissioner of insurance  
 16 of the state of Montana.

17 (3) "Department of health" means the department of  
 18 health and environmental sciences provided for in 2-15-2101.

19 (4) "Director" means the director of the department of  
 20 health and environmental sciences provided for in 2-15-2101.

21 (5) "Enrollee" means a person:  
 22 (a) who enrolls in or contracts with a health  
 23 maintenance organization;  
 24 (b) on whose behalf a contract is made with a health  
 25 maintenance organization to receive health care services; or

1 (c) on whose behalf the health maintenance organization  
 2 contracts to receive health care services.

3 (6) "Evidence of coverage" means a certificate,  
 4 agreement, policy, or contract issued to an enrollee setting  
 5 forth the coverage to which the enrollee is entitled.

6 (7) "Health care services" means:  
 7 (a) the services included in furnishing medical or  
 8 dental care to a person;  
 9 (b) the services included in hospitalizing a person;  
 10 (c) the services incident to furnishing medical or  
 11 dental care or hospitalization; or  
 12 (d) the services included in furnishing to a person  
 13 other services for the purpose of preventing, alleviating,  
 14 curing, or healing illness, injury, or physical disability.

15 (8) "Health care services agreement" means an agreement  
 16 for health care services between a health maintenance  
 17 organization and an enrollee.

18 (9) "Health maintenance organization" means a person  
 19 who provides or arranges for basic health care services to  
 20 enrollees on a prepaid or other financial basis, either  
 21 directly through provider employees or through contractual  
 22 or other arrangements with a provider or a group of  
 23 providers.

24 (10) "Insurance producer" means an individual,  
 25 partnership, or corporation appointed or authorized by a

1 health maintenance organization to solicit applications for  
2 health care services agreements on its behalf.

3 (11) "Person" means:

4 (a) an individual;

5 (b) a group of individuals;

6 (c) an insurer, as defined in 33-1-201;

7 (d) a health service corporation, as defined in  
8 33-30-101;

9 (e) a corporation, partnership, facility, association,  
10 or trust; or

11 (f) an institution of a governmental unit of any state  
12 licensed by that state to provide health care, including but  
13 not limited to a physician, hospital, hospital-related  
14 facility, or long-term care facility.

15 (12) "Plan" means a health maintenance organization  
16 operated by an insurer or health service corporation as an  
17 integral part of the corporation and not as a subsidiary.

18 (13) "Provider" means a physician, hospital,  
19 hospital-related facility, long-term care facility, dentist,  
20 osteopath, chiropractor, optometrist, podiatrist,  
21 psychologist, licensed social worker, registered pharmacist,  
22 or nurse specialist as specifically listed in 37-8-202 who  
23 treats any illness or injury within the scope and  
24 limitations of his practice or any other person who is  
25 licensed or otherwise authorized in this state to furnish

1 health care services.

2 (14) "Uncovered expenditures" mean the costs of health  
3 care services that are covered by a health maintenance  
4 organization and for which an enrollee is liable if the  
5 health maintenance organization becomes insolvent."

6 **Section 3.** Section 53-6-101, MCA, is amended to read:

7 **"53-6-101. Montana medicaid program -- authorization of**  
8 **services.** (1) There is a Montana medicaid program  
9 established for the purpose of providing necessary medical  
10 services to eligible persons who have need for medical  
11 assistance. The Montana medicaid program is a joint  
12 federal-state program administered under this chapter and in  
13 accordance with Title XIX of the federal Social Security Act  
14 (42 U.S.C. 1396, et seq.), as may be amended. The department  
15 of social and rehabilitation services shall administer the  
16 Montana medicaid program.

17 (2) Medical assistance provided by the Montana medicaid  
18 program includes the following services:

19 (a) inpatient hospital services;

20 (b) outpatient hospital services;

21 (c) other laboratory and x-ray services, including  
22 minimum mammography examination as defined in [section 1];

23 (d) skilled nursing services in long-term care  
24 facilities;

25 (e) physicians' services;

1 (f) nurse specialist services;

2 (g) early and periodic screening, diagnosis, and  
3 treatment services for persons under 21 years of age;

4 (h) services provided by physician assistants-certified  
5 within the scope of their practice and that are otherwise  
6 directly reimbursed as allowed under department rule to an  
7 existing provider;

8 (i) health services provided under a physician's orders  
9 by a public health department; and

10 (j) hospice care as defined in 42 U.S.C. 1396d(o).

11 (3) Medical assistance provided by the Montana medicaid  
12 program may, as provided by department rule, also include  
13 the following services:

14 (a) medical care or any other type of remedial care  
15 recognized under state law, furnished by licensed  
16 practitioners within the scope of their practice as defined  
17 by state law;

18 (b) home health care services;

19 (c) private-duty nursing services;

20 (d) dental services;

21 (e) physical therapy services;

22 (f) mental health center services administered and  
23 funded under a state mental health program authorized under  
24 Title 53, chapter 21, part 2;

25 (g) clinical social worker services;

1 (h) prescribed drugs, dentures, and prosthetic devices;

2 (i) prescribed eyeglasses;

3 (j) other diagnostic, screening, preventive,  
4 rehabilitative, chiropractic, and osteopathic services;

5 (k) inpatient psychiatric hospital services: persons  
6 under 21 years of age;

7 (l) services of professional counselors licensed under  
8 Title 37, chapter 23, if funds are specifically appropriated  
9 for the inclusion of these services in the Montana medicaid  
10 program;

11 (m) ambulatory prenatal care for pregnant women during  
12 a presumptive eligibility period, as provided in 42 U.S.C.  
13 1396a(a)(47) and 42 U.S.C. 1396r-1;

14 (n) any additional medical service or aid allowable  
15 under or provided by the federal Social Security Act.

16 (4) The department may implement, as provided for in  
17 Title XIX of the federal Social Security Act (42 U.S.C.  
18 1396, et seq.), as may be amended, a program under medicaid  
19 for payment of medicare premiums, deductibles, and  
20 coinsurance for persons not otherwise eligible for medicaid.

21 (5) The department may set rates for medical and other  
22 services provided to recipients of medicaid and may enter  
23 into contracts for delivery of services to individual  
24 recipients or groups of recipients.

25 (6) The services provided under this part may be only

1 those that are medically necessary and that are the most  
2 efficient and cost effective.

3 (7) The amount, scope, and duration of services  
4 provided under this part must be determined by the  
5 department in accordance with Title XIX of the federal  
6 Social Security Act (42 U.S.C. 1396, et seq.), as may be  
7 amended.

8 (8) Services, procedures, and items of an experimental  
9 or cosmetic nature may not be provided.

10 (9) If available funds are not sufficient to provide  
11 medical assistance for all eligible persons, the department  
12 may set priorities to limit, reduce, or otherwise curtail  
13 the amount, scope, or duration of the medical services made  
14 available under the Montana medicaid program.

15 (10) Community-based medicaid services, as provided for  
16 in part 4 of this chapter, must be provided in accordance  
17 with the provisions of this chapter and the rules adopted  
18 thereunder. (Subsection (2)(j) terminates June 30,  
19 1991--sec. 4, Ch. 633, L. 1989; Subsection (3)(m) terminates  
20 June 30, 1991--sec. 15, Ch. 649, L. 1989.)"

21 NEW SECTION. **Section 4. Applicability.** [Sections 1 and  
22 2] apply to policies or contracts delivered or issued for  
23 delivery or renewed in this state on or after January 1,  
24 1992.

25 NEW SECTION. **Section 5. Codification instruction.**

1 [Section 1] is intended to be codified as an integral part  
2 of Title 33, chapter 22, part 1, and the provisions of Title  
3 33, chapter 22, part 1, apply to [section 1].

-End-

APPROVED BY COMM. ON  
BUSINESS & INDUSTRY

1                   SENATE BILL NO. 366  
2           INTRODUCED BY FRANKLIN, KENNEDY, PIPINICH, JACOBSON,  
3           BROOKE, HALLIGAN, YELLOWTAIL, DOHERTY, ECK, BRUSKI,  
4                   MANNING, VAUGHN, HARDING, RUSSELL, CODY,  
5                   WATERMAN, L. NELSON, HANSEN, S. RICE, BECKER,  
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7           HARRINGTON, BRADLEY, WYATT, REAM, COCCHIARELLA,  
8                   KADAS, BIANCHI, CONNELLY

9  
10   A BILL FOR AN ACT ENTITLED: "AN ACT REQUIRING HEALTH  
11   INSURERS AND HEALTH MAINTENANCE ORGANIZATIONS TRANSACTING  
12   BUSINESS IN THIS STATE TO PROVIDE COVERAGE FOR MINIMUM  
13   MAMMOGRAPHY EXAMINATIONS; AMENDING SECTIONS 33-31-102 AND  
14   53-6-101, MCA; AND PROVIDING AN APPLICABILITY DATE."

15  
16   BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

17       NEW SECTION.   **Section 1.** Coverage for mammography  
18   examinations. (1) Each group or individual disability  
19   policy, certificate of insurance, and membership contract  
20   that is delivered, issued for delivery, renewed, extended,  
21   or modified in this state and that provides coverage for a  
22   family member of the insured or subscriber must provide  
23   minimum mammography examination coverage.

24       (2) For the purpose of this section, "minimum  
25   mammography examination" means:

- 1           (a) one baseline mammogram for a woman who is 35 years
- 2           of age or older and under 40 years of age;
- 3           (b) a mammogram every 2 years for any woman who is 40
- 4           years of age or older and under 50 years of age or more
- 5           frequently if recommended by the woman's physician; and
- 6           (c) a mammogram each year for a woman who is 50 years
- 7           of age or older.

8           (3) These services are subject to the terms of the  
9   applicable group or individual disability policy,  
10   certificate of insurance, or membership contract that  
11   establishes durational limits, ~~dollar-limits~~, deductibles,  
12   and copayment provisions as long as the terms are not less  
13   favorable than for physical illness generally. A MINIMUM \$50  
14   LIMIT MUST BE MADE AVAILABLE FOR EACH OF THESE SERVICES.

15           **Section 2.** Section 33-31-102, MCA, is amended to read:

16           **"33-31-102. Definitions.** As used in this chapter,  
17   unless the context requires otherwise, the following  
18   definitions apply:

- 19           (1) "Basic health care services" means:
- 20           (a) consultative, diagnostic, therapeutic, and referral
- 21           services by a provider;
- 22           (b) inpatient hospital and provider care;
- 23           (c) outpatient medical services;
- 24           (d) medical treatment and referral services;
- 25           (e) accident and sickness services by a provider to

**SECOND READING**





1 each newborn infant of an enrollee pursuant to  
2 33-31-301(3)(e);

3 (f) care and treatment of mental illness, alcoholism,  
4 and drug addiction;

5 (g) diagnostic laboratory and diagnostic and  
6 therapeutic radiologic services;

7 (h) preventive health services, including:

8 (i) immunizations;

9 (ii) well-child care from birth;

10 (iii) periodic health evaluations for adults;

11 (iv) voluntary family planning services;

12 (v) infertility services; and

13 (vi) children's eye and ear examinations conducted to  
14 determine the need for vision and hearing correction; and

15 (i) minimum mammography examination, as defined in  
16 [section 1]; and

17 ~~(j)~~(j) treatment for phenylketonuria. "Treatment" means  
18 licensed professional medical services under the supervision  
19 of a physician and a dietary formula product to achieve and  
20 maintain normalized blood levels of phenylalanine and  
21 adequate nutritional status.

22 (2) "Commissioner" means the commissioner of insurance  
23 of the state of Montana.

24 (3) "Department of health" means the department of  
25 health and environmental sciences provided for in 2-15-2101.

1 (4) "Director" means the director of the department of  
2 health and environmental sciences provided for in 2-15-2101.

3 (5) "Enrollee" means a person:

4 (a) who enrolls in or contracts with a health  
5 maintenance organization;

6 (b) on whose behalf a contract is made with a health  
7 maintenance organization to receive health care services; or

8 (c) on whose behalf the health maintenance organization  
9 contracts to receive health care services.

10 (6) "Evidence of coverage" means a certificate,  
11 agreement, policy, or contract issued to an enrollee setting  
12 forth the coverage to which the enrollee is entitled.

13 (7) "Health care services" means:

14 (a) the services included in furnishing medical or  
15 dental care to a person;

16 (b) the services included in hospitalizing a person;

17 (c) the services incident to furnishing medical or  
18 dental care or hospitalization; or

19 (d) the services included in furnishing to a person  
20 other services for the purpose of preventing, alleviating,  
21 curing, or healing illness, injury, or physical disability.

22 (8) "Health care services agreement" means an agreement  
23 for health care services between a health maintenance  
24 organization and an enrollee.

25 (9) "Health maintenance organization" means a person

1 who provides or arranges for basic health care services to  
 2 enrollees on a prepaid or other financial basis, either  
 3 directly through provider employees or through contractual  
 4 or other arrangements with a provider or a group of  
 5 providers.

6 (10) "Insurance producer" means an individual,  
 7 partnership, or corporation appointed or authorized by a  
 8 health maintenance organization to solicit applications for  
 9 health care services agreements on its behalf.

10 (11) "Person" means:

11 (a) an individual;

12 (b) a group of individuals;

13 (c) an insurer, as defined in 33-1-201;

14 (d) a health service corporation, as defined in  
 15 33-30-101;

16 (e) a corporation, partnership, facility, association,  
 17 or trust; or

18 (f) an institution of a governmental unit of any state  
 19 licensed by that state to provide health care, including but  
 20 not limited to a physician, hospital, hospital-related  
 21 facility, or long-term care facility.

22 (12) "Plan" means a health maintenance organization  
 23 operated by an insurer or health service corporation as an  
 24 integral part of the corporation and not as a subsidiary.

25 (13) "Provider" means a physician, hospital,

1 hospital-related facility, long-term care facility, dentist,  
 2 osteopath, chiropractor, optometrist, podiatrist,  
 3 psychologist, licensed social worker, registered pharmacist,  
 4 or nurse specialist as specifically listed in 37-8-202 who  
 5 treats any illness or injury within the scope and  
 6 limitations of his practice or any other person who is  
 7 licensed or otherwise authorized in this state to furnish  
 8 health care services.

9 (14) "Uncovered expenditures" mean the costs of health  
 10 care services that are covered by a health maintenance  
 11 organization and for which an enrollee is liable if the  
 12 health maintenance organization becomes insolvent."

13 **Section 3.** Section 53-6-101, MCA, is amended to read:

14 **"53-6-101. Montana medicaid program -- authorization of**  
 15 **services.** (1) There is a Montana medicaid program  
 16 established for the purpose of providing necessary medical  
 17 services to eligible persons who have need for medical  
 18 assistance. The Montana medicaid program is a joint  
 19 federal-state program administered under this chapter and in  
 20 accordance with Title XIX of the federal Social Security Act  
 21 (42 U.S.C. 1396, et seq.), as may be amended. The department  
 22 of social and rehabilitation services shall administer the  
 23 Montana medicaid program.

24 (2) Medical assistance provided by the Montana medicaid  
 25 program includes the following services:

1 (a) inpatient hospital services;  
 2 (b) outpatient hospital services;  
 3 (c) other laboratory and x-ray services, including  
 4 minimum mammography examination as defined in [section 1];  
 5 (d) skilled nursing services in long-term care  
 6 facilities;  
 7 (e) physicians' services;  
 8 (f) nurse specialist services;  
 9 (g) early and periodic screening, diagnosis, and  
 10 treatment services for persons under 21 years of age;  
 11 (h) services provided by physician assistants-certified  
 12 within the scope of their practice and that are otherwise  
 13 directly reimbursed as allowed under department rule to an  
 14 existing provider;  
 15 (i) health services provided under a physician's orders  
 16 by a public health department; and  
 17 (j) hospice care as defined in 42 U.S.C. 1396d(o).  
 18 (3) Medical assistance provided by the Montana medicaid  
 19 program may, as provided by department rule, also include  
 20 the following services:  
 21 (a) medical care or any other type of remedial care  
 22 recognized under state law, furnished by licensed  
 23 practitioners within the scope of their practice as defined  
 24 by state law;  
 25 (b) home health care services;

1 (c) private-duty nursing services;  
 2 (d) dental services;  
 3 (e) physical therapy services;  
 4 (f) mental health center services administered and  
 5 funded under a state mental health program authorized under  
 6 Title 53, chapter 21, part 2;  
 7 (g) clinical social worker services;  
 8 (h) prescribed drugs, dentures, and prosthetic devices;  
 9 (i) prescribed eyeglasses;  
 10 (j) other diagnostic, screening, preventive,  
 11 rehabilitative, chiropractic, and osteopathic services;  
 12 (k) inpatient psychiatric hospital services for persons  
 13 under 21 years of age;  
 14 (l) services of professional counselors licensed under  
 15 Title 37, chapter 23, if funds are specifically appropriated  
 16 for the inclusion of these services in the Montana medicaid  
 17 program;  
 18 (m) ambulatory prenatal care for pregnant women during  
 19 a presumptive eligibility period, as provided in 42 U.S.C.  
 20 1396a(a)(47) and 42 U.S.C. 1396r-1;  
 21 (n) any additional medical service or aid allowable  
 22 under or provided by the federal Social Security Act.  
 23 (4) The department may implement, as provided for in  
 24 Title XIX of the federal Social Security Act (42 U.S.C.  
 25 1396, et seq.), as may be amended, a program under medicaid

1 for payment of medicare premiums, deductibles, and  
2 coinsurance for persons not otherwise eligible for medicaid.

3 (5) The department may set rates for medical and other  
4 services provided to recipients of medicaid and may enter  
5 into contracts for delivery of services to individual  
6 recipients or groups of recipients.

7 (6) The services provided under this part may be only  
8 those that are medically necessary and that are the most  
9 efficient and cost effective.

10 (7) The amount, scope, and duration of services  
11 provided under this part must be determined by the  
12 department in accordance with Title XIX of the federal  
13 Social Security Act (42 U.S.C. 1396, et seq.), as may be  
14 amended.

15 (8) Services, procedures, and items of an experimental  
16 or cosmetic nature may not be provided.

17 (9) If available funds are not sufficient to provide  
18 medical assistance for all eligible persons, the department  
19 may set priorities to limit, reduce, or otherwise curtail  
20 the amount, scope, or duration of the medical services made  
21 available under the Montana medicaid program.

22 (10) Community-based medicaid services, as provided for  
23 in part 4 of this chapter, must be provided in accordance  
24 with the provisions of this chapter and the rules adopted  
25 thereunder. (Subsection (2)(j) terminates June 30,

1 1991--sec. 4, Ch. 633, L. 1989; Subsection (3)(m) terminates  
2 June 30, 1991--sec. 15, Ch. 649, L. 1989.)"

3 NEW SECTION. **Section 4. Applicability.** [Sections 1 and  
4 2] apply to policies or contracts delivered or issued for  
5 delivery or renewed in this state on or after January 1,  
6 1992.

7 NEW SECTION. **Section 5. Codification instruction.**  
8 [Section 1] is intended to be codified as an integral part  
9 of Title 33, chapter 22, part 1, and the provisions of Title  
10 33, chapter 22, part 1, apply to [section 1].

-End-

## 1 SENATE BILL NO. 366

2 INTRODUCED BY FRANKLIN, KENNEDY, PIPINICH, JACOBSON,  
 3 BROOKE, HALLIGAN, YELLOWTAIL, DOHERTY, ECK, BRUSKI,  
 4 MANNING, VAUGHN, HARDING, RUSSELL, CODY,  
 5 WATERMAN, L. NELSON, HANSEN, S. RICE, BECKER,  
 6 STRIZICH, MESSMORE, DARKO, BARNHART,  
 7 HARRINGTON, BRADLEY, WYATT, REAM, COCCHIARELLA,  
 8 KADAS, BIANCHI, CONNELLY

9  
 10 A BILL FOR AN ACT ENTITLED: "AN ACT REQUIRING HEALTH  
 11 INSURERS AND HEALTH MAINTENANCE ORGANIZATIONS TRANSACTING  
 12 BUSINESS IN THIS STATE TO PROVIDE COVERAGE FOR MINIMUM  
 13 MAMMOGRAPHY EXAMINATIONS; AMENDING SECTIONS 33-31-102 AND  
 14 53-6-101, MCA; AND PROVIDING AN APPLICABILITY DATE."

15  
 16 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

17 NEW SECTION. **Section 1.** Coverage for ~~mammography~~  
 18 examinations. (1) Each group or individual disability  
 19 policy, certificate of insurance, and membership contract  
 20 that is delivered, issued for delivery, renewed, extended,  
 21 or modified in this state and that provides coverage for a  
 22 family member of the insured or subscriber must provide  
 23 minimum mammography examination coverage.

24 (2) For the purpose of this section, "minimum  
 25 mammography examination" means:

1 (a) one baseline mammogram for a woman who is 35 years  
 2 of age or older and under 40 years of age;

3 (b) a mammogram every 2 years for any woman who is 40  
 4 years of age or older and under 50 years of age or more  
 5 frequently if recommended by the woman's physician; and

6 (c) a mammogram each year for a woman who is 50 years  
 7 of age or older.

8 (3) These services are subject to the terms of the  
 9 applicable group or individual disability policy,  
 10 certificate of insurance, or membership contract that  
 11 establishes durational limits, ~~dollar-limits,~~ deductibles,  
 12 and copayment provisions as long as the terms are not less  
 13 favorable than for physical illness generally. A MINIMUM \$50  
 14 LIMIT MUST BE MADE AVAILABLE FOR EACH OF THESE SERVICES.

15 **Section 2.** Section 33-31-102, MCA, is amended to read:

16 "33-31-102. Definitions. As used in this chapter,  
 17 unless the context requires otherwise, the following  
 18 definitions apply:

19 (1) "Basic health care services" means:

20 (a) consultative, diagnostic, therapeutic, and referral  
 21 services by a provider;

22 (b) inpatient hospital and provider care;

23 (c) outpatient medical services;

24 (d) medical treatment and referral services;

25 (e) accident and sickness services by a provider to

THIRD READING

1 each newborn infant of an enrollee pursuant to  
2 33-31-301(3)(e),

3 (f) care and treatment of mental illness, alcoholism,  
4 and drug addiction;

5 (g) diagnostic laboratory and diagnostic and  
6 therapeutic radiologic services;

7 (h) preventive health services, including:

8 (i) immunizations;

9 (ii) well-child care from birth;

10 (iii) periodic health evaluations for adults;

11 (iv) voluntary family planning services;

12 (v) infertility services; and

13 (vi) children's eye and ear examinations conducted to  
14 determine the need for vision and hearing correction; and

15 (i) minimum mammography examination, as defined in  
16 [section 1]; and

17 ~~(j)~~ (j) treatment for phenylketonuria. "Treatment" means  
18 licensed professional medical services under the supervision  
19 of a physician and a dietary formula product to achieve and  
20 maintain normalized blood levels of phenylalanine and  
21 adequate nutritional status.

22 (2) "Commissioner" means the commissioner of insurance  
23 of the state of Montana.

24 (3) "Department of health" means the department of  
25 health and environmental sciences provided for in 2-15-2101.

1 (4) "Director" means the director of the department of  
2 health and environmental sciences provided for in 2-15-2101.

3 (5) "Enrollee" means a person:

4 (a) who enrolls in or contracts with a health  
5 maintenance organization;

6 (b) on whose behalf a contract is made with a health  
7 maintenance organization to receive health care services; or

8 (c) on whose behalf the health maintenance organization  
9 contracts to receive health care services.

10 (6) "Evidence of coverage" means a certificate,  
11 agreement, policy, or contract issued to an enrollee setting  
12 forth the coverage to which the enrollee is entitled.

13 (7) "Health care services" means:

14 (a) the services included in furnishing medical or  
15 dental care to a person;

16 (b) the services included in hospitalizing a person;

17 (c) the services incident to furnishing medical or  
18 dental care or hospitalization; or

19 (d) the services included in furnishing to a person  
20 other services for the purpose of preventing, alleviating,  
21 curing, or healing illness, injury, or physical disability.

22 (8) "Health care services agreement" means an agreement  
23 for health care services between a health maintenance  
24 organization and an enrollee.

25 (9) "Health maintenance organization" means a person

1 who provides or arranges for basic health care services to  
 2 enrollees on a prepaid or other financial basis, either  
 3 directly through provider employees or through contractual  
 4 or other arrangements with a provider or a group of  
 5 providers.

6 (10) "Insurance producer" means an individual,  
 7 partnership, or corporation appointed or authorized by a  
 8 health maintenance organization to solicit applications for  
 9 health care services agreements on its behalf.

10 (11) "Person" means:

11 (a) an individual;

12 (b) a group of individuals;

13 (c) an insurer, as defined in 33-1-201;

14 (d) a health service corporation, as defined in  
 15 33-30-101;

16 (e) a corporation, partnership, facility, association,  
 17 or trust; or

18 (f) an institution of a governmental unit of any state  
 19 licensed by that state to provide health care, including but  
 20 not limited to a physician, hospital, hospital-related  
 21 facility, or long-term care facility.

22 (12) "Plan" means a health maintenance organization  
 23 operated by an insurer or health service corporation as an  
 24 integral part of the corporation and not as a subsidiary.

25 (13) "Provider" means a physician, hospital,

1 hospital-related facility, long-term care facility, dentist,  
 2 osteopath, chiropractor, optometrist, podiatrist,  
 3 psychologist, licensed social worker, registered pharmacist,  
 4 or nurse specialist as specifically listed in 37-8-202 who  
 5 treats any illness or injury within the scope and  
 6 limitations of his practice or any other person who is  
 7 licensed or otherwise authorized in this state to furnish  
 8 health care services.

9 (14) "Uncovered expenditures" mean the costs of health  
 10 care services that are covered by a health maintenance  
 11 organization and for which an enrollee is liable if the  
 12 health maintenance organization becomes insolvent."

13 **Section 3.** Section 53-6-101, MCA, is amended to read:

14 **"53-6-101. Montana medicaid program -- authorization of**  
 15 **services.** (1) There is a Montana medicaid program  
 16 established for the purpose of providing necessary medical  
 17 services to eligible persons who have need for medical  
 18 assistance. The Montana medicaid program is a joint  
 19 federal-state program administered under this chapter and in  
 20 accordance with Title XIX of the federal Social Security Act  
 21 (42 U.S.C. 1396, et seq.), as may be amended. The department  
 22 of social and rehabilitation services shall administer the  
 23 Montana medicaid program.

24 (2) Medical assistance provided by the Montana medicaid  
 25 program includes the following services:

1 (a) inpatient hospital services;  
 2 (b) outpatient hospital services;  
 3 (c) other laboratory and x-ray services, including  
 4 minimum mammography examination as defined in [section 1];  
 5 (d) skilled nursing services in long-term care  
 6 facilities;  
 7 (e) physicians' services;  
 8 (f) nurse specialist services;  
 9 (g) early and periodic screening, diagnosis, and  
 10 treatment services for persons under 21 years of age;  
 11 (h) services provided by physician assistants-certified  
 12 within the scope of their practice and that are otherwise  
 13 directly reimbursed as allowed under department rule to an  
 14 existing provider;  
 15 (i) health services provided under a physician's orders  
 16 by a public health department; and  
 17 (j) hospice care as defined in 42 U.S.C. 1396d(o).  
 18 (3) Medical assistance provided by the Montana medicaid  
 19 program may, as provided by department rule, also include  
 20 the following services:  
 21 (a) medical care or any other type of remedial care  
 22 recognized under state law, furnished by licensed  
 23 practitioners within the scope of their practice as defined  
 24 by state law;  
 25 (b) home health care services;

1 (c) private-duty nursing services;  
 2 (d) dental services;  
 3 (e) physical therapy services;  
 4 (f) mental health center services administered and  
 5 funded under a state mental health program authorized under  
 6 Title 53, chapter 21, part 2;  
 7 (g) clinical social worker services;  
 8 (h) prescribed drugs, dentures, and prosthetic devices;  
 9 (i) prescribed eyeglasses;  
 10 (j) other diagnostic, screening, preventive,  
 11 rehabilitative, chiropractic, and osteopathic services;  
 12 (k) inpatient psychiatric hospital services for persons  
 13 under 21 years of age;  
 14 (l) services of professional counselors licensed under  
 15 Title 37, chapter 23, if funds are specifically appropriated  
 16 for the inclusion of these services in the Montana medicaid  
 17 program;  
 18 (m) ambulatory prenatal care for pregnant women during  
 19 a presumptive eligibility period, as provided in 42 U.S.C.  
 20 1396a(a)(47) and 42 U.S.C. 1396r-1;  
 21 (n) any additional medical service or aid allowable  
 22 under or provided by the federal Social Security Act.  
 23 (4) The department may implement, as provided for in  
 24 Title XIX of the federal Social Security Act (42 U.S.C.  
 25 1396, et seq.), as may be amended, a program under medicaid



1 for payment of medicare premiums, deductibles, and  
2 coinsurance for persons not otherwise eligible for medicaid.

3 (5) The department may set rates for medical and other  
4 services provided to recipients of medicaid and may enter  
5 into contracts for delivery of services to individual  
6 recipients or groups of recipients.

7 (6) The services provided under this part may be only  
8 those that are medically necessary and that are the most  
9 efficient and cost effective.

10 (7) The amount, scope, and duration of services  
11 provided under this part must be determined by the  
12 department in accordance with Title XIX of the federal  
13 Social Security Act (42 U.S.C. 1396, et seq.), as may be  
14 amended.

15 (8) Services, procedures, and items of an experimental  
16 or cosmetic nature may not be provided.

17 (9) If available funds are not sufficient to provide  
18 medical assistance for all eligible persons, the department  
19 may set priorities to limit, reduce, or otherwise curtail  
20 the amount, scope, or duration of the medical services made  
21 available under the Montana medicaid program.

22 (10) Community-based medicaid services, as provided for  
23 in part 4 of this chapter, must be provided in accordance  
24 with the provisions of this chapter and the rules adopted  
25 thereunder. (Subsection (2)(j) terminates June 30,

1 1991--sec. 4, Ch. 633, L. 1989; Subsection (3)(m) terminates  
2 June 30, 1991--sec. 15, Ch. 649, L. 1989.)"

3 NEW SECTION. **Section 4. Applicability.** [Sections 1 and  
4 2] apply to policies or contracts delivered or issued for  
5 delivery or renewed in this state on or after January 1,  
6 1992.

7 NEW SECTION. **Section 5. Codification instruction.**  
8 [Section 1] is intended to be codified as an integral part  
9 of Title 33, chapter 22, part 1, and the provisions of Title  
10 33, chapter 22, part 1, apply to [section 1].

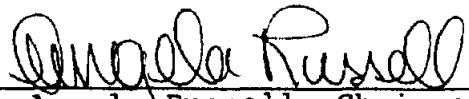
-End-

HOUSE STANDING COMMITTEE REPORT

March 23, 1991

Page 1 of 1

Mr. Speaker: We, the committee on Human Services and Aging report that Senate Bill 366 (third reading copy -- blue) be concurred in as amended .

Signed:   
Angela Russell, Chairman

CALLUP BY: RUP RUSSELL

And, that such amendments read:

1. Page 2, lines 13 and 14.

Strike: "\$50 LIMIT MUST BE MADE AVAILABLE FOR EACH OF THESE SERVICES"

Insert: "\$70 payment must be made for each mammography examination performed"

HOUSE  
SB 366

## SENATE BILL NO. 366

INTRODUCED BY FRANKLIN, KENNEDY, PIPINICH, JACOBSON,  
 BROOKE, HALLIGAN, YELLOWTAIL, DOHERTY, ECK, BRUSKI,  
 MANNING, VAUGHN, HARDING, RUSSELL, CODY,  
 WATERMAN, L. NELSON, HANSEN, S. RICE, BECKER,  
 STRIZICH, MESSMORE, DARKO, BARNHART,  
 HARRINGTON, BRADLEY, WYATT, REAM, COCCHIARELLA,  
 KADAS, BIANCHI, CONNELLY

A BILL FOR AN ACT ENTITLED: "AN ACT REQUIRING HEALTH  
 INSURERS AND HEALTH MAINTENANCE ORGANIZATIONS TRANSACTING  
 BUSINESS IN THIS STATE TO PROVIDE COVERAGE FOR MINIMUM  
 MAMMOGRAPHY EXAMINATIONS; AMENDING SECTIONS 33-31-102 AND  
 53-6-101, MCA; AND PROVIDING AN APPLICABILITY DATE."

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

NEW SECTION. **Section 1.** Coverage for mammography  
 examinations. (1) Each group or individual disability  
 policy, certificate of insurance, and membership contract  
 that is delivered, issued for delivery, renewed, extended,  
 or modified in this state and that provides coverage for a  
 family member of the insured or subscriber must provide  
 minimum mammography examination coverage.

(2) For the purpose of this section, "minimum  
 mammography examination" means:

- (a) one baseline mammogram for a woman who is 35 years  
 of age or older and under 40 years of age;
- (b) a mammogram every 2 years for any woman who is 40  
 years of age or older and under 50 years of age or more  
 frequently if recommended by the woman's physician; and
- (c) a mammogram each year for a woman who is 50 years  
 of age or older.

(3) These services are subject to the terms of the  
 applicable group or individual disability policy,  
 certificate of insurance, or membership contract that  
 establishes durational limits, ~~dollar-limits~~, deductibles,  
 and copayment provisions as long as the terms are not less  
 favorable than for physical illness generally. A MINIMUM \$50  
 LIMIT--MUST-BE-MADE-AVAILABLE-FOR-EACH-OF-THESE-SERVICES \$70  
 PAYMENT MUST BE MADE FOR EACH MAMMOGRAPHY EXAMINATION  
 PERFORMED.

**Section 2.** Section 33-31-102, MCA, is amended to read:

"33-31-102. Definitions. As used in this chapter,  
 unless the context requires otherwise, the following  
 definitions apply:

(1) "Basic health care services" means:

- (a) consultative, diagnostic, therapeutic, and referral  
 services by a provider;
- (b) inpatient hospital and provider care;
- (c) outpatient medical services;

1 (d) medical treatment and referral services;

2 (e) accident and sickness services by a provider to

3 each newborn infant of an enrollee pursuant to

4 33-31-301(3)(e);

5 (f) care and treatment of mental illness, alcoholism,

6 and drug addiction;

7 (g) diagnostic laboratory and diagnostic and

8 therapeutic radiologic services;

9 (h) preventive health services, including:

10 (i) immunizations;

11 (ii) well-child care from birth;

12 (iii) periodic health evaluations for adults;

13 (iv) voluntary family planning services;

14 (v) infertility services; and

15 (vi) children's eye and ear examinations conducted to

16 determine the need for vision and hearing correction; and

17 (i) minimum mammography examination, as defined in

18 [section 1]; and

19 ~~(i)~~(j) treatment for phenylketonuria. "Treatment" means

20 licensed professional medical services under the supervision

21 of a physician and a dietary formula product to achieve and

22 maintain normalized blood levels of phenylalanine and

23 adequate nutritional status.

24 (2) "Commissioner" means the commissioner of insurance

25 of the state of Montana.

1 (3) "Department of health" means the department of

2 health and environmental sciences provided for in 2-15-2101.

3 (4) "Director" means the director of the department of

4 health and environmental sciences provided for in 2-15-2101.

5 (5) "Enrollee" means a person:

6 (a) who enrolls in or contracts with a health

7 maintenance organization;

8 (b) on whose behalf a contract is made with a health

9 maintenance organization to receive health care services; or

10 (c) on whose behalf the health maintenance organization

11 contracts to receive health care services.

12 (6) "Evidence of coverage" means a certificate,

13 agreement, policy, or contract issued to an enrollee setting

14 forth the coverage to which the enrollee is entitled.

15 (7) "Health care services" means:

16 (a) the services included in furnishing medical or

17 dental care to a person;

18 (b) the services included in hospitalizing a person;

19 (c) the services incident to furnishing medical or

20 dental care or hospitalization; or

21 (d) the services included in furnishing to a person

22 other services for the purpose of preventing, alleviating,

23 curing, or healing illness, injury, or physical disability.

24 (8) "Health care services agreement" means an agreement

25 for health care services between a health maintenance

1 organization and an enrollee.

2 (9) "Health maintenance organization" means a person  
3 who provides or arranges for basic health care services to  
4 enrollees on a prepaid or other financial basis, either  
5 directly through provider employees or through contractual  
6 or other arrangements with a provider or a group of  
7 providers.

8 (10) "Insurance producer" means an individual,  
9 partnership, or corporation appointed or authorized by a  
10 health maintenance organization to solicit applications for  
11 health care services agreements on its behalf.

12 (11) "Person" means:

13 (a) an individual;

14 (b) a group of individuals;

15 (c) an insurer, as defined in 33-1-201;

16 (d) a health service corporation, as defined in  
17 33-30-101;

18 (e) a corporation, partnership, facility, association,  
19 or trust; or

20 (f) an institution of a governmental unit of any state  
21 licensed by that state to provide health care, including but  
22 not limited to a physician, hospital, hospital-related  
23 facility, or long-term care facility.

24 (12) "Plan" means a health maintenance organization  
25 operated by an insurer or health service corporation as an

1 integral part of the corporation and not as a subsidiary.

2 (13) "Provider" means a physician, hospital,  
3 hospital-related facility, long-term care facility, dentist,  
4 osteopath, chiropractor, optometrist, podiatrist,  
5 psychologist, licensed social worker, registered pharmacist,  
6 or nurse specialist as specifically listed in 37-8-202 who  
7 treats any illness or injury within the scope and  
8 limitations of his practice or any other person who is  
9 licensed or otherwise authorized in this state to furnish  
10 health care services.

11 (14) "Uncovered expenditures" mean the costs of health  
12 care services that are covered by a health maintenance  
13 organization and for which an enrollee is liable if the  
14 health maintenance organization becomes insolvent."

15 **Section 3.** Section 53-6-101, MCA, is amended to read:

16 **"53-6-101. Montana medicaid program -- authorization of**  
17 **services.** (1) There is a Montana medicaid program  
18 established for the purpose of providing necessary medical  
19 services to eligible persons who have need for medical  
20 assistance. The Montana medicaid program is a joint  
21 federal-state program administered under this chapter and in  
22 accordance with Title XIX of the federal Social Security Act  
23 (42 U.S.C. 1396, et seq.), as may be amended. The department  
24 of social and rehabilitation services shall administer the  
25 Montana medicaid program.

1 (2) Medical assistance provided by the Montana medicaid  
2 program includes the following services:

- 3 (a) inpatient hospital services;  
4 (b) outpatient hospital services;  
5 (c) other laboratory and x-ray services, including  
6 minimum mammography examination as defined in [section 1];  
7 (d) skilled nursing services in long-term care  
8 facilities;  
9 (e) physicians' services;  
10 (f) nurse specialist services;  
11 (g) early and periodic screening, diagnosis, and  
12 treatment services for persons under 21 years of age;  
13 (h) services provided by physician assistants-certified  
14 within the scope of their practice and that are otherwise  
15 directly reimbursed as allowed under department rule to an  
16 existing provider;  
17 (i) health services provided under a physician's orders  
18 by a public health department; and  
19 (j) hospice care as defined in 42 U.S.C. 1396d(o).

20 (3) Medical assistance provided by the Montana medicaid  
21 program may, as provided by department rule, also include  
22 the following services:

- 23 (a) medical care or any other type of remedial care  
24 recognized under state law, furnished by licensed  
25 practitioners within the scope of their practice as defined

1 by state law;

- 2 (b) home health care services;  
3 (c) private-duty nursing services;  
4 (d) dental services;  
5 (e) physical therapy services;  
6 (f) mental health center services administered and  
7 funded under a state mental health program authorized under  
8 Title 53, chapter 21, part 2;  
9 (g) clinical social worker services;  
10 (h) prescribed drugs, dentures, and prosthetic devices;  
11 (i) prescribed eyeglasses;  
12 (j) other diagnostic, screening, preventive,  
13 rehabilitative, chiropractic, and osteopathic services;  
14 (k) inpatient psychiatric hospital services for persons  
15 under 21 years of age;  
16 (l) services of professional counselors licensed under  
17 Title 37, chapter 23, if funds are specifically appropriated  
18 for the inclusion of these services in the Montana medicaid  
19 program;  
20 (m) ambulatory prenatal care for pregnant women during  
21 a presumptive eligibility period, as provided in 42 U.S.C.  
22 1396a(a)(47) and 42 U.S.C. 1396r-1;  
23 (n) any additional medical service or aid allowable  
24 under or provided by the federal Social Security Act.  
25 (4) The department may implement, as provided for in

1 Title XIX of the federal Social Security Act (42 U.S.C.  
2 1396, et seq.), as may be amended, a program under medicaid  
3 for payment of medicare premiums, deductibles, and  
4 coinsurance for persons not otherwise eligible for medicaid.

5 (5) The department may set rates for medical and other  
6 services provided to recipients of medicaid and may enter  
7 into contracts for delivery of services to individual  
8 recipients or groups of recipients.

9 (6) The services provided under this part may be only  
10 those that are medically necessary and that are the most  
11 efficient and cost effective.

12 (7) The amount, scope, and duration of services  
13 provided under this part must be determined by the  
14 department in accordance with Title XIX of the federal  
15 Social Security Act (42 U.S.C. 1396, et seq.), as may be  
16 amended.

17 (8) Services, procedures, and items of an experimental  
18 or cosmetic nature may not be provided.

19 (9) If available funds are not sufficient to provide  
20 medical assistance for all eligible persons, the department  
21 may set priorities to limit, reduce, or otherwise curtail  
22 the amount, scope, or duration of the medical services made  
23 available under the Montana medicaid program.

24 (10) Community-based medicaid services, as provided for  
25 in part 4 of this chapter, must be provided in accordance

1 with the provisions of this chapter and the rules adopted  
2 thereunder. (Subsection (2)(j) terminates June 30,  
3 1991--sec. 4, Ch. 633, L. 1989; Subsection (3)(m) terminates  
4 June 30, 1991--sec. 15, Ch. 649, L. 1989.)"

5 NEW SECTION. **Section 4. Applicability.** [Sections 1 and  
6 2] apply to policies or contracts delivered or issued for  
7 delivery or renewed in this state on or after January 1,  
8 1992.

9 NEW SECTION. **Section 5. Codification instruction.**  
10 [Section 1] is intended to be codified as an integral part  
11 of Title 33, chapter 22, part 1, and the provisions of Title  
12 33, chapter 22, part 1, apply to [section 1].

-End-