

HOUSE BILL NO. 904

2/20 Introduced  
2/20 Referred to Appropriations  
3/18 Hearing  
4/01 Committee Report-Bill Do pass  
4/03 2nd Reading Pass  
4/04 3rd Reading Pass

Transmitted to Senate

4/13 On Motion Rules Suspended  
    To Accept for Consideration  
4/15 Referred to Rules  
4/16 Hearing  
    Died in Committee

1 HOUSE BILL NO. 904  
2 INTRODUCED BY Winston Miller

3  
4 A BILL FOR AN ACT ENTITLED: "AN ACT RELATING TO THE  
5 ADMINISTRATION OF THE MEDICAL SERVICES PROGRAM BY THE  
6 DEPARTMENT OF SOCIAL AND REHABILITATION SERVICES; PROVIDING  
7 THAT CERTAIN GENERAL STATUTES RELATING TO THE MEDICAL  
8 SERVICES PROGRAM ARE SUBJECT TO CONDITIONS AND LIMITATIONS  
9 WITHIN APPROPRIATIONS TO THE DEPARTMENT; PROVIDING THAT THE  
10 DEPARTMENT DOES NOT HAVE AUTHORITY TO CONTRACT WITH  
11 PROVIDERS OF MEDICAL SERVICES FOR A TERM TO EXCEED 2 YEARS;  
12 PROVIDING A PENALTY; AMENDING SECTIONS 53-6-102, 53-6-113,  
13 53-6-115, AND 53-6-141, MCA."

14  
15 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

16 Section 1. Section 53-6-102, MCA, is amended to read:  
17 "53-6-102. Mandate Department to fully provide  
18 services. Medical services shall be provided to the fullest  
19 extent that moneys appropriated, collected, accumulated, or  
20 matched from any source by the department of social and  
21 rehabilitation services will allow, if funds are  
22 inadequate, priorities of the foregoing items and amounts of  
23 medical assistance shall be determined by the department.  
24 The department shall establish standards of assistance.  
25 subject to such conditions and limitations set forth in the

1 department's appropriations measures, that are not contrary  
2 to specific permanent statutory mandates. The provisions of  
3 53-6-141 and this section are considered directory and not  
4 mandatory for the purposes of conflicts with conditions and  
5 limitations within appropriations measures and do not grant  
6 the department statutory authority differing from such  
7 conditions and limitations."

8 Section 2. Section 53-6-113, MCA, is amended to read:  
9 "53-6-113. Department to adopt rules. (1) The  
10 department of social and rehabilitation services shall adopt  
11 appropriate rules not inconsistent with this part to  
12 administer and supervise the program uniformly throughout  
13 the state and shall define medical assistance by rules.

14 (2) Medical assistance shall be furnished through  
15 payments to providers of services and supplies as  
16 contemplated in this part. Rules adopted pursuant to this  
17 section regarding providers of medical services are subject  
18 to the provisions of 53-6-115."

19 Section 3. Section 53-6-115, MCA, is amended to read:  
20 "53-6-115. Contracts with ~~other~~ agencies health  
21 service providers -- limited authority. (1) The department  
22 of social and rehabilitation services may by suitable rules  
23 provide for contracting with any state or private agency for  
24 processing and payment of claims under ~~such program~~ of the  
25 medical assistance program. ~~and the~~



1       (2) The department shall---have--the has limited  
 2 authority to contract with one or more private or state  
 3 agencies to provide any or all of the enumerated medical  
 4 services enumerated in 53-6-101. The department does not  
 5 have the authority to create orally, in writing, or by rule  
 6 any contractual relations, property rights, or other  
 7 enforceable interest with such providers of medical services  
 8 for a term to exceed 2 years. No action by the department  
 9 after [the effective date of this act] creates or may be  
 10 interpreted to create any contract or other right extending  
 11 for more than 2 years, and no provider may rely upon the  
 12 actions of the department, rules adopted by the department,  
 13 or any other action or inaction of the department to imply  
 14 such a right or an expectation of any future right.

15       (3) (a) A copy of subsection (2) must be:

16       (i) published in the Montana Administrative Register  
 17 as a part of the notice of each proposed rule relating to  
 18 providers of medical services;

19       (ii) published as a preface to all chapters and  
 20 subchapters of the Administrative Rules of Montana that  
 21 regulate relations of the department with providers of  
 22 medical services; and

23       (iii) included as a part of each written contract  
 24 executed by the department with each provider of medical  
 25 services.

1       (b) The failure to publish subsection (2) as required  
 2 by subsection (3)(a) does not grant authority to the  
 3 department or create an enforceable contract or property  
 4 right. The department must pay a \$1,000 penalty as  
 5 liquidated damages, attorney fees, and court costs to any  
 6 person who prevails in a civil action alleging that the  
 7 department failed to comply with subsection (3)(a)."

8       Section 4. Section 53-6-141, MCA, is amended to read:

9       "53-6-141. Amount, scope, and duration of assistance.  
 10 (1) The Subject to limitations contained in applicable  
 11 appropriations measures, the amount, scope, and duration of  
 12 medical assistance granted eligible persons shall be  
 13 determined by the department of social and rehabilitation  
 14 services. Payments on behalf of persons in state-operated  
 15 institutions shall be made only from funds appropriated  
 16 specifically for this purpose, as such funds are available.

17       (2) If available funds are not sufficient to provide  
 18 medical care for all eligible persons, the department ~~shall~~  
 19 have has, subject to limitations contained in its  
 20 appropriations measures, the authority to set priorities to  
 21 limit, reduce, or otherwise curtail the amount, scope, or  
 22 duration of the medical care and services made available.

23       (3) For the purpose of determining eligibility and  
 24 amount of assistance to be granted to those individuals  
 25 covered in subsections (2)(g) and (2)(h) of 53-6-131, the

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1 department shall establish a maintenance standard."

-End-

Found No Second Reading Printed

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YELLOW PRINTING DISPENSED

HB 904  
THIRD READING



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