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HOUSE BILL NO. 783

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INTRODUCED BY S. ROSENZWEIG, J. GILLETTE

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4 A BILL FOR AN ACT ENTITLED: "AN ACT REQUIRING COVERAGE OF CERTAIN TREATMENTS AND
5 MEDICATIONS RELATING TO ~~DIABETES~~, OBESITY, OR POLYCYSTIC OVARY SYNDROME; PROVIDING
6 THE TYPES OF TREATMENTS AND MEDICATIONS THAT MUST BE COVERED; ~~PROVIDING WHAT~~
7 ~~MEDICAL NECESSITY INCLUDES~~; PROVIDING EXCLUSIONS; APPLYING TO ~~CERTAIN INSURED~~
8 ~~GROUPS~~ GROUP HEALTH INSURANCE FOR STATE EMPLOYEES; ~~PROVIDING REPORTING~~
9 ~~REQUIREMENTS~~; PROVIDING AN APPROPRIATION; AND AMENDING ~~SECTIONS SECTION~~ 2-18-704, 33-
10 ~~31-111, AND 33-35-306~~, MCA."

11

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

13

14 NEW SECTION. Section 1. Coverage of certain treatments and medications relating to ~~diabetes~~
15 and ~~obesity and polycystic ovary syndrome -- state group insurance~~. (1) (a) ~~Each individual disability~~
16 ~~policy, certificate of insurance, and membership contract that is delivered, issued for delivery, renewed,~~
17 ~~extended, or modified in this state~~ An insurance contract or plan issued under this part must provide coverage
18 for:

19 (i) glucagon-like peptide-1 receptor agonists ~~for the treatment of class 3 or higher obesity,~~
20 polycystic ovary syndrome, or other conditions these drugs are authorized to treat by the food and drug
21 administration if it is determined to be medically necessary; ~~and~~

22 (ii) polycystic ovary syndrome if it is determined to be medically necessary.

23 (b) For the purposes of subsection (1)(a), the term "medically necessary" includes but is not limited
24 to a diagnosis of diabetes or class 3 obesity or polycystic ovary syndrome.

25 (2) Coverage under this section may be subject to deductibles, coinsurance, and copayment
26 provisions. Special deductible, coinsurance, copayment, or other limitations that are not generally applicable to
27 other medical services covered under the plan may not be imposed on coverage of glucagon-like peptide-1
28 receptor agonists. A health insurance issuer may use cost containment measures, which may include but are

1 not limited to step therapy and prior authorization.

2 (3) This section ~~does not apply to disability income, hospital indemnity, medicare supplement, specified disease, or long term care policies~~ applies only to group health insurance for state employees and Montana university system employees under Title 2, chapter 18, part 7, and is a mandatory provision as provided in 2-18-704.

6 (4) By September 1 of each year, the department of administration shall report to the general government interim budget committee, health and human services interim budget committee, economic affairs interim committee, and health and human services interim committee in accordance with 5-11-210 on the utilization, cost, and cost savings as a result of this section for the purposes of assessing effectiveness and creating a budget estimate.

11

12 **Section 2.** Section 2-18-704, MCA, is amended to read:

13 **"2-18-704. Mandatory provisions.** (1) An insurance contract or plan issued under this part must contain provisions that permit:

15 (a) the member of a group who retires from active service under the appropriate retirement provisions of a defined benefit plan provided by law or, in the case of the defined contribution plan provided in Title 19, chapter 3, part 21, a member with at least 5 years of service and who is at least age 50 while in covered employment to remain a member of the group until the member becomes eligible for medicare under the federal Health Insurance for the Aged Act, 42 U.S.C. 1395, unless the member is a participant in another group plan with substantially the same or greater benefits at an equivalent cost or unless the member is employed and, by virtue of that employment, is eligible to participate in another group plan with substantially the same or greater benefits at an equivalent cost;

23 (b) the surviving spouse of a member to remain a member of the group as long as the spouse is eligible for retirement benefits accrued by the deceased member as provided by law unless the spouse is eligible for medicare under the federal Health Insurance for the Aged Act or unless the spouse has or is eligible for equivalent insurance coverage as provided in subsection (1)(a);

27 (c) the surviving children of a member to remain members of the group as long as they are eligible for retirement benefits accrued by the deceased member as provided by law unless they have equivalent

1 or dependent children may opt out of COBRA continuation coverage within 60 days of enrollment.

2 (b) enroll the officer's covered spouse or dependent children in COBRA continuation coverage if
3 the officer dies in the line of duty as defined in 2-15-2040. The officer's spouse or dependent children may opt
4 out of COBRA coverage within 60 days of the date of enrollment.

5 (c) pay the COBRA premium for 4 months of COBRA continuation coverage for the officer and the
6 officer's covered spouse or dependent children enrolled in COBRA continuation coverage pursuant to
7 subsections (16)(a) or (16)(b), after which time the officer and the officer's spouse or dependent children shall
8 pay the COBRA premium. (See compiler's comments for contingent termination of certain text.)"

9

10 **Section 3. Section 33-31-111, MCA, is amended to read:**

11 **"33-31-111. Statutory construction and relationship to other laws.** (1) Except as otherwise
12 provided in this chapter, the insurance or health service corporation laws do not apply to a health maintenance
13 organization authorized to transact business under this chapter. This provision does not apply to an insurer or
14 health service corporation licensed and regulated pursuant to the insurance or health service corporation laws
15 of this state except with respect to its health maintenance organization activities authorized and regulated
16 pursuant to this chapter.

17 (2) Solicitation of enrollees by a health maintenance organization granted a certificate of authority
18 or its representatives is not a violation of any law relating to solicitation or advertising by health professionals.

19 (3) A health maintenance organization authorized under this chapter is not practicing medicine and
20 is exempt from Title 37, chapter 3, relating to the practice of medicine.

21 (4) This chapter does not exempt a health maintenance organization from the applicable certificate
22 of need requirements under Title 50, chapter 5, parts 1 and 3.

23 (5) This section does not exempt a health maintenance organization from the prohibition of
24 pecuniary interest under 33-3-308 or the material transaction disclosure requirements under 33-3-701 through
25 33-3-704. A health maintenance organization must be considered an insurer for the purposes of 33-3-308 and
26 33-3-701 through 33-3-704.

27 (6) This section does not exempt a health maintenance organization from:

28 (a) prohibitions against interference with certain communications as provided under Title 33,

1 chapter 1, part 8;

2 (b) the provisions of Title 33, chapter 22, parts 7 and 19;

3 (c) the requirements of 33-22-134 and 33-22-135;

4 (d) network adequacy and quality assurance requirements provided under chapter 36; or

5 (e) the requirements of Title 33, chapter 18, part 9.

6 (7) Other chapters and provisions of this title apply to health maintenance organizations as follows:

7 Title 33, chapter 1, parts 6, 12, and 13; 33-2-1114; 33-2-1211 and 33-2-1212; Title 33, chapter 2, parts 13, 19,

8 23, and 24; 33-3-401; 33-3-422; 33-3-431; Title 33, chapter 3, part 6; Title 33, chapter 10; Title 33, chapter 12;

9 33-15-308; Title 33, chapter 17; Title 33, chapter 19; 33-22-107; 33-22-114; 33-22-128; 33-22-129; 33-22-131;

10 33-22-136 through 33-22-139; 33-22-141 and 33-22-142; 33-22-152 through 33-22-159; [section 1], 33-22-180;

11 33-22-244; 33-22-246 and 33-22-247; 33-22-514 and 33-22-515; 33-22-521; 33-22-523 and 33-22-524; 33-22-

12 526; 33-22-2103; and Title 33, chapter 32."

13

14 **Section 4.** Section 33-35-306, MCA, is amended to read:

15 **"33-35-306. Application of insurance code to arrangements.** (1) In addition to this chapter, self-

16 funded multiple employer welfare arrangements are subject to the following provisions:

17 (a) 33-1-111;

18 (b) Title 33, chapter 1, part 4, but the examination of a self-funded multiple employer welfare

19 arrangement is limited to those matters to which the arrangement is subject to regulation under this chapter;

20 (c) Title 33, chapter 1, part 7;

21 (d) Title 33, chapter 2, parts 23 and 24;

22 (e) 33-3-308;

23 (f) Title 33, chapter 7;

24 (g) Title 33, chapter 18, except 33-18-242;

25 (h) Title 33, chapter 19;

26 (i) 33-22-107, 33-22-114, 33-22-128, 33-22-129, 33-22-131, 33-22-134, 33-22-135, 33-22-138,

27 33-22-139, 33-22-141, 33-22-142, and 33-22-152 through 33-22-155, and [section 1];

28 (j) 33-22-316;

1 (k) ~~33-22-512, 33-22-515, 33-22-525, and 33-22-526;~~
2 (l) ~~Title 33, chapter 22, parts 7 and 21; and~~
3 (m) ~~33-22-707.~~
4 (2) ~~Except as provided in this chapter, other provisions of Title 33 do not apply to a self-funded~~
5 ~~multiple employer welfare arrangement that has been issued a certificate of authority that has not been~~
6 ~~revoked."~~

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8 **NEW SECTION. Section 3. Appropriation.** (1) There is appropriated \$1.5 million from the state
9 general fund to the department of administration for each fiscal year of the biennium beginning July 1, 2025.
10 The funds may be used only to cover the costs to the state associated with the implementation of [this act.]

11 (2) The legislature intends that this is a one-time-only appropriation.

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13 **NEW SECTION. Section 4. Codification instruction.** [Section 1] is intended to be codified as an
14 integral part of ~~Title 33, chapter 22, part 1~~ Title 2, chapter 18, part 7, and the provisions of ~~Title 33, chapter 22,~~
15 ~~part 1, Title 2, chapter 18, part 7~~, apply to [section 1].

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