AN ACT PROVIDING AN ADDITIONAL BASIS ON WHICH A PARTY THAT IS LEGALLY RESPONSIBLE FOR PAYMENT OF A CLAIM FOR A HEALTH CARE ITEM OR SERVICE MAY NOT DENY A CLAIM SUBMITTED BY THE DEPARTMENT OF PUBLIC HEALTH AND HUMAN SERVICES; AND AMENDING SECTION 33-1-111, MCA."

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

**Section 1.** Section 33-1-111, MCA, is amended to read:

"**33-1-111. Eligibility requirements of health insurance issuers.** (1) As a condition of doing business in the state of Montana, a health insurance issuer, a multiple employer welfare arrangement, a third-party administrator, a health maintenance organization, a pharmacy benefit manager, a health services corporation, or any other party that by statute, contract, or agreement is legally responsible for payment of a claim for a health care item or service shall:

(a) upon request, provide to the department of public health and human services eligibility information for individuals who are eligible for or receiving medicaid, including but not limited to:

(i) data to determine during what period the medicaid recipient or medicaid-eligible individual or the spouse or dependents of the recipient or eligible individual may be or may have been covered by any of the entities listed in this section; and

(ii) data regarding the nature of the coverage that is or was provided, including but not limited to the name, address, and identifying information of the entity providing coverage;

(b) respond to any inquiry from the department of public health and human services regarding a claim for payment for any health care item or service submitted not later than 3 years after the date the item or service was provided;

(c) accept the department of public health and human services' right of recovery and the

assignment from the medicaid recipient to the department of public health and human services of any right of an individual or other entity to payment from any of the entities listed in this section for an item or service for which medicaid has paid; and

(d) agree not to deny a claim submitted by the department of public health and human services solely on the basis of the date of submission of the claim, the type or format of the claim form, the failure to obtain prior authorization for the item or service pursuant to the third party payer's rules, or a failure to present proper documentation at the point of sale that is the basis of the claim if:

(i) the claim is submitted by the department of public health and human services within the 3-year period beginning on the date on which the service or item was provided; and

(ii) any action by the department of public health and human services to enforce its rights with respect to the claim is commenced within 6 years after the department submitted the claim.

(2) This section may not be construed to:

(a) require that a third party pay any claim by the department of public health and human services for services or items that are not covered under the applicable health care plan;

(b) require that any third-party administrator, fiscal intermediary, or other contractor pay a claim by the department of public health and human services from its own funds unless the entity also bears the financial obligation for the claim under the applicable plan documents;

(c) impose any liability on an entity to pay claims that the entity does not otherwise bear; or

(d) negate any right of indemnification against a plan sponsor or other entity with ultimate liability for health care claims by a third-party administrator, fiscal intermediary, or other contractor that pays the claims."

- END -

I hereby certify that the within bill,

SB 361, originated in the Senate.

_____

Secretary of the Senate

_____

President of the Senate

Signed this _____day

of_____, 2025.

_____

Speaker of the House

Signed this _____day
of_____, 2025.

SENATE BILL NO. 361

INTRODUCED BY M. YAKAWICH

AN ACT PROVIDING AN ADDITIONAL BASIS ON WHICH A PARTY THAT IS LEGALLY RESPONSIBLE FOR PAYMENT OF A CLAIM FOR A HEALTH CARE ITEM OR SERVICE MAY NOT DENY A CLAIM SUBMITTED BY THE DEPARTMENT OF PUBLIC HEALTH AND HUMAN SERVICES; AND AMENDING SECTION 33-1-111, MCA."