

OFFICE OF THE GOVERNOR  
STATE OF MONTANA

STEVE BULLOCK  
GOVERNOR



MIKE COONEY  
LT. GOVERNOR

May 22, 2017

The Honorable Corey Stapleton  
Secretary of State  
State Capitol  
Helena, MT 59620

Dear Secretary Stapleton:

In accordance with the power vested in me as Governor by the Constitution and the laws of the State of Montana, I hereby veto Senate Bill 362 (SB 362), "AN ACT REQUIRING TRANSPARENCY IN PRICING OF HEALTH CARE SERVICES; REQUIRING COST DISCLOSURES BY HEALTH CARE PROVIDERS AND HEALTH INSURERS; REQUIRING HEALTH INSURERS TO OFFER TRANSPARENCY TOOLS FOR HEALTH CARE CONSUMERS; REQUIRING PUBLIC EMPLOYEE GROUP BENEFIT PLANS TO COMPLY WITH TRANSPARENCY REQUIREMENTS; PROVIDING PENALTIES; PROVIDING DEFINITIONS; AMENDING SECTIONS 2-18-702, 2-18-811, 20-25-1303, 33-22-101, 33-28-207, 33-35-306, 45-5-214, 50-4-504, 50-4-512, AND 50-4-518, MCA; AND PROVIDING EFFECTIVE DATES."

SB 362 is one of a handful of bills that were introduced this session seeking to overhaul health care payment methodology in Montana. I appreciate the legislature's work to control costs and improve quality for consumers. This bill was amended several times. Unfortunately, in its current form it does not advance Montanans' ability to make healthcare decisions in a cost-effective manner. It would require health plans to develop new technology and pass the costs on to patients, even though peer-reviewed medical and scientific studies show that online pricing tools are not used, and when they are, drive costs up. Absent data on quality, price is used as a proxy and people choose the more expensive service in hopes of getting the best treatment.

This legislature has passed HJ 20 which will provide for a study of the drivers of health care costs and look closely at health care payment and delivery reforms aimed at reducing healthcare costs that are grounded in evidence. I encourage the legislature to engage in a more thoughtful study, since the pace of the session can limit thorough consideration of such complex issues. I have directed my staff and Cabinet to help in this effort.

Secretary Stapleton  
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For these reasons, I veto SB 362

Sincerely,

A handwritten signature in blue ink, appearing to read "Steve Bullock", with a long horizontal flourish extending to the right.

STEVE BULLOCK  
Governor

cc: Legislative Services Division  
Scott Sales, President of the Senate  
Austin Knudsen, Speaker of the House