

By Representatives Crist, Peadar, Flanagan,
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1 A bill to be entitled
2 An act relating to prepaid limited health
3 service organizations; creating s. 636.0155,
4 F.S.; requiring prepaid limited health services
5 organizations' contracts and materials to
6 include specified disclosures; amending s.
7 636.016, F.S.; requiring such organizations to
8 provide certain disclosures to prospective
9 enrollees; amending s. 636.035, F.S.; requiring
10 certain provider contracts to contain
11 termination notice provisions; providing
12 exceptions; providing that certain contracts
13 are unenforceable; providing an effective date.

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15 Be It Enacted by the Legislature of the State of Florida:

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17 Section 1. Section 636.0155, Florida Statutes, is
18 created to read:

19 636.0155 Language used in contracts and marketing
20 materials.--All prepaid limited health services contracts,
21 marketing materials, and literature must disclose in boldfaced
22 type the name of the organization and disclose that the
23 organization is a prepaid limited health service organization
24 licensed under chapter 636.

25 Section 2. Subsection (12) is added to section
26 636.016, Florida Statutes, to read:

27 636.016 Prepaid limited health service contracts.--For
28 any entity licensed prior to October 1, 1993, all subscriber
29 contracts in force at such time shall be in compliance with
30 this section upon renewal of such contract.

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1 (12) Each prepaid limited health service organization
2 or exclusive provider organization shall provide prospective
3 enrollees with written information about the terms and
4 conditions of the plan in accordance with subsection (2) to
5 enable prospective enrollees to make informed decisions about
6 accepting a managed-care system of limited health care
7 delivery. However, information about where, how, and from whom
8 the services can be obtained need be disclosed only at the
9 request of the prospective enrollee. All marketing materials
10 distributed by the prepaid limited health services
11 organization must contain a notice in boldfaced type which
12 states that the information required under this section is
13 available to prospective enrollees upon request.

14 Section 3. Subsections (8) and (9) are added to
15 section 636.035, Florida Statutes, to read:

16 636.035 Provider arrangements.--

17 (8) Provider contracts executed after October 1, 1997,
18 and within 180 days after October 1, 1997, for all contracts
19 in existence on October 1, 1997, must provide that the prepaid
20 limited health service organization will provide 90 days'
21 advance written notice to the provider and the department
22 before canceling, without cause, the contract with the
23 provider, except where a patient's health is subject to
24 imminent danger or a provider's ability to practice is
25 effectively impaired by an action by the Board of Dentistry or
26 another governmental agency.

27 (9) Any contract provision that violates a provider's
28 practice act, chapter 455, or a rule adopted by a licensing
29 board within the Division of Medical Quality Assurance is
30 unenforceable.

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1 Section 4. This act shall take effect upon becoming a
2 law.

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5 SENATE SUMMARY

6 Requires contracts and materials of prepaid limited
7 health services organizations to contain certain
8 disclosures and requires such organizations to make
9 certain disclosures to prospective enrollees. Provides
10 that certain provider contracts must contain specified
11 termination provisions.

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