

By the Committee on Banking and Insurance; and Senator Sullivan

311-2183-98

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A bill to be entitled  
An act relating to health care; amending s.  
641.315, F.S.; revising the notice requirements  
for termination of contracts between health  
maintenance organizations and providers;  
amending s. 641.51, F.S.; requiring health  
maintenance organizations to provide a  
subscriber with continued access to a treating  
physician terminated by the organization;  
providing limitations; providing an effective  
date.

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

Section 1. Subsections (6) and (7) of section 641.315,  
Florida Statutes, are amended to read:

641.315 Provider contracts.--

(6)(a) For all provider contracts executed after  
October 1, 1998 ~~1991~~, and within 180 days after October 1,  
~~1991~~, for contracts in existence as of October 1, 1991:

1. The contracts must provide that the provider shall  
provide 90 ~~60~~ days' advance written notice to the health  
maintenance organization and the department before canceling  
the contract with the health maintenance organization for any  
reason; and

2. The contract must also provide that nonpayment for  
goods or services rendered by the provider to the health  
maintenance organization shall not be a valid reason for  
avoiding the 90-day ~~60-day~~ advance notice of cancellation.

(b) For all provider contracts executed after October  
1, 1998, ~~1996~~, and within 180 days after October 1, 1996, for

1 ~~contracts in existence as of October 1, 1996,~~ the contracts  
2 must provide that the health maintenance organization will  
3 provide 90 ~~60~~ days' advance written notice to the provider and  
4 the department before canceling, without cause, the contract  
5 with the provider, except in a case in which a patient's  
6 health is subject to imminent danger or a physician's ability  
7 to practice medicine is effectively impaired by an action by  
8 the Board of Medicine or other governmental agency.

9 (7) Upon receipt by the health maintenance  
10 organization of a 90-day ~~60-day~~ cancellation notice, the  
11 health maintenance organization may, if requested by the  
12 provider, terminate the contract in less than 90 ~~60~~ days if  
13 the health maintenance organization is not financially  
14 impaired or insolvent.

15 Section 2. Subsection (7) of section 641.51, Florida  
16 Statutes, is amended to read:

17 641.51 Quality assurance program; second medical  
18 opinion requirement.--

19 (7) When an organization terminates a contract with a  
20 treating physician licensed under chapter 458, chapter 459,  
21 chapter 460, or chapter 461, for any reason other than for  
22 cause, the ~~Each~~ organization shall allow subscribers for whom  
23 the terminated physician was a treating physician to continue  
24 care ~~for 60 days~~ with the a terminated treating physician  
25 through completion of treatment of a condition for which the  
26 subscriber was receiving care at the time of the termination  
27 until the subscriber selects another treating physician, or  
28 until the next open enrollment period offered by the  
29 organization, whichever occurs first, but no longer than 1  
30 year after termination of the physician contract, ~~provider~~  
31 when medically necessary, provided the subscriber has a

1 life-threatening condition or a disabling and degenerative  
2 condition. Each organization shall allow a subscriber who is  
3 in the third trimester of pregnancy to continue care with a  
4 terminated treating physician ~~provider~~ until completion of  
5 postpartum care. For care continued under this subsection, the  
6 organization and the physician ~~provider~~ shall continue to be  
7 bound by the terms of the terminated contract for such  
8 continued care. This subsection shall not apply to treating  
9 physicians ~~providers~~ who have been terminated by the  
10 organization for cause.

11 Section 3. This act shall take effect October 1, 1998.

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13 STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN  
14 COMMITTEE SUBSTITUTE FOR  
15 Senate Bill 2080

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16 Increases the time period from 60 to 90 days when advance  
17 written notice must be provided prior to cancellation of  
18 provider contracts by either a health maintenance organization  
(HMO) or the provider, applicable to all HMO provider  
contracts executed after October 1, 1998.

19 Increases the maximum time period from 60 days to 1 year as  
20 the required period for a HMO to continue care for subscribers  
with life-threatening or disabling and degenerative conditions  
who are under the treatment of a physician who is terminated  
21 by a HMO, applicable to contracts by HMOs with a treating  
physician licensed under chapter 458 (physicians), chapter 459  
22 (osteopathic physicians), chapter 460 (chiropractic  
physicians), or chapter 461 (podiatric physicians), as  
23 compared to the current law's application to any "provider."

24 Deletes the bill's provisions prohibiting a managed care plan  
25 from terminating a health care provider contract without a  
hearing, if requested by a health care provider.

26 Deletes the bill's provisions declaring it to be an unfair or  
27 deceptive act if a HMO takes any adverse action against a  
provider for communicating information to the provider's  
28 patient regarding medical care or treatment options.

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