

By the Committee on Banking and Insurance; and Senators
Latvala, Campbell, Gutman, Silver, Meek and Mitchell

311-1797-99

1 A bill to be entitled
2 An act relating to health care; amending s.
3 641.3903, F.S.; providing that certain actions
4 by a health maintenance organization against a
5 provider based on the provider's communication
6 of certain information to a patient are unfair
7 or deceptive practices; amending s. 641.315,
8 F.S.; requiring certain written notice in order
9 to terminate certain provider contracts;
10 providing limitations on the use of such
11 notice; amending s. 641.51, F.S.; providing for
12 continued care of subscribers when certain
13 provider contracts are terminated; providing
14 for applicability of the act; providing an
15 effective date.

16
17 Be It Enacted by the Legislature of the State of Florida:

18
19 Section 1. Subsection (14) is added to section
20 641.3903, Florida Statutes, to read:

21 641.3903 Unfair methods of competition and unfair or
22 deceptive acts or practices defined.--The following are
23 defined as unfair methods of competition and unfair or
24 deceptive acts or practices:

25 (14) ADVERSE ACTION AGAINST A PROVIDER.--Any
26 retaliatory action by a health maintenance organization
27 against a contracted provider, including, but not limited to,
28 termination of a contract with the provider, on the basis that
29 the provider communicated information to the provider's
30 patient regarding medical care or treatment options for the

31

1 patient when the provider deems knowledge of such information
2 by the patient to be in the best interest of the patient.

3 Section 2. Subsection (9) is added to section 641.315,
4 Florida Statutes, to read:

5 641.315 Provider contracts.--

6 (9) A health maintenance organization or health care
7 provider may not terminate a contract with a health care
8 provider or health maintenance organization unless the party
9 terminating the contract provides the terminated party with a
10 written reason for the contract termination, which may include
11 termination for business reasons of the terminating party. The
12 reason provided in the notice required in this section or any
13 other information relating to the reason for termination does
14 not create any new administrative or civil action and may not
15 be used as substantive evidence in any such action, but may be
16 used for impeachment purposes. As used in this subsection, the
17 term "health care provider" means any physicians licensed
18 under ch. 458, ch. 459, ch. 460, ch. 461, or ch. 466.

19 Section 3. Subsection (7) of section 641.51, Florida
20 Statutes, is amended to read:

21 641.51 Quality assurance program; second medical
22 opinion requirement.--

23 (7) When a contract between an organization and a
24 treating provider is terminated for any reason other than for
25 cause, each party ~~Each organization~~ shall allow subscribers
26 for whom treatment was active to continue coverage and care
27 when medically necessary, through completion of treatment of a
28 condition for which the subscriber was receiving care at the
29 time of the termination, until the subscriber selects another
30 treating provider, or during the next open enrollment period
31 offered by the organization, whichever is longer, but not

1 longer than 6 months after termination of the contract.~~for 60~~
2 ~~days with a terminated treating provider when medically~~
3 ~~necessary, provided the subscriber has a life-threatening~~
4 ~~condition or a disabling and degenerative condition.~~ Each
5 party to the terminated contract organization shall allow a
6 subscriber who has initiated a course of prenatal care,
7 regardless of is in the third trimester in which care was
8 initiated, of pregnancy to continue care and coverage with a
9 ~~terminated treating provider~~ until completion of postpartum
10 care. This does not prevent a provider from refusing to
11 continue to provide care to a subscriber who is abusive,
12 noncompliant, or in arrears in payments for services provided.
13 For care continued under this subsection, the organization and
14 the provider shall continue to be bound by the terms of the
15 terminated contract ~~for such continued care.~~ This subsection
16 ~~shall not apply to treating providers who have been terminated~~
17 ~~by the organization for cause.~~ Changes made within 30 days
18 after termination of a contract are effective only if agreed
19 to by both parties.

20 Section 4. This act shall take effect upon becoming a
21 law and shall apply only to contracts entered into after the
22 effective date.
23
24
25
26
27
28
29
30
31

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31

STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN
COMMITTEE SUBSTITUTE FOR
Senate Bill 232

Deletes provisions that would have required managed care organizations to provide an opportunity for a hearing to a health care provider prior to termination of the health care provider's contract.

Amends s. 641.315, F.S., to prohibit a health maintenance organization (HMO) or health care provider from terminating a contract with a health care provider or HMO without providing the terminated party with a written reason for the contract termination. Such notice may not be used as substantive evidence in a subsequent action relating to the termination.

Amends s. 641.51, F.S., to require that HMOs and treating health care providers continue care for subscribers when a contract between a HMO and a treating provider is terminated by either party for any reason other than for cause, for a certain time period, and subject to certain exceptions.