

By Representatives Goode, Melvin, Peaden, Hart, Barreiro, Brown, Farkas, Fiorentino, Valdes, Casey, Greenstein, Villalobos, Sanderson and Ritchie

1 A bill to be entitled
2 An act relating to health care; providing
3 procedures required for the termination or
4 nonrenewal of a health care provider contract
5 by a managed care plan; requiring certain
6 written notice; providing for hearing by a
7 panel appointed by the managed care plan;
8 providing for recommendations to and decisions
9 of the managed care plan; specifying
10 timeframes; providing an effective date.

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

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14 Section 1. Termination or nonrenewal of a health care
15 provider contract; notice; hearing.--A managed care plan may
16 not terminate or fail to renew a contract with a health care
17 provider unless the managed care plan provides the health care
18 provider with a written explanation of the reasons for the
19 proposed contract termination or nonrenewal and an opportunity
20 for a review or hearing as provided in this section, except in
21 cases involving imminent harm to patient health or a final
22 disciplinary action by the provider's licensing board or other
23 governmental agency which impairs the health care provider's
24 ability to practice within the jurisdiction.

25 (1) The notice of the proposed contract termination or
26 nonrenewal provided by the managed care plan to the health
27 care provider must include:

28 (a) The reasons for the proposed action.

29 (b) Notice that the health care provider has the right
30 to request a hearing or review, at the provider's discretion,
31 before a panel appointed by the managed care plan.

1 (c) A time limit of not less than 30 days within which
2 a health care provider may request a hearing.

3 (d) A time limit for a hearing, which hearing must be
4 held not less than 30 days nor more than 60 days after the
5 date of receipt of the request for a hearing.

6 (2) If the health care provider requests a hearing,
7 the health care provider must be provided a written notice
8 that states:

9 (a) The place, time, and date of the hearing.

10 (b) The names of the witnesses, if any, expected to
11 testify at the hearing on behalf of the managed care plan.

12 (3) The hearing must be conducted by a panel composed
13 of three persons appointed by the managed care plan. At least
14 one person on the panel must be a clinical peer in the same
15 discipline and the same or similar specialty as the health
16 care provider under review. The hearing panel may consist of
17 more than three persons, if the number of clinical peers on
18 the panel constitutes one-third or more of the total
19 membership of the panel.

20 (4) The hearing panel must render a decision on the
21 proposed action in a timely manner, which decision must
22 include the panel's recommendation as to whether the provider
23 contract should be reinstated or renewed by the managed care
24 plan, provisionally reinstated or renewed subject to
25 conditions set forth by the managed care plan, terminated by
26 the managed care plan, or not renewed by the managed care
27 plan. The panel's decision or recommendation must be provided
28 in writing to the governing body of the managed care plan.

29 (5) The governing body of the managed care plan, after
30 considering the decision and recommendation of the panel, must
31 render its decision within 30 days after the issuance of the

1 panel's recommendation. The governing body's decision must
2 include reinstatement or renewal of the health care provider
3 contract by the managed care plan, provisional reinstatement
4 or renewal subject to conditions set forth by the managed care
5 plan, termination of the health care provider contract, or
6 nonrenewal of the health care provider contract.

7 (6) A decision by the governing body of the managed
8 care plan to terminate or nonrenew a contract with a health
9 care provider may not be effective earlier than 30 days after
10 the receipt by the health care provider of the governing
11 body's decision or earlier than 90 days after the health care
12 provider's receipt of the notice of termination or nonrenewal.

13 Section 2. This act shall take effect October 1, 1999.

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15 HOUSE SUMMARY

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17 Requires managed care plans to provide a written
18 explanation of the reasons for the proposed termination
19 or nonrenewal of a provider contract. Specifies contents
20 of such notice. Provides for the provider's right to
21 review by a panel appointed by the managed care plan, and
22 specifies requirements for composition of the panel.
23 Provides for panel recommendations to and decisions by
24 the governing body of the managed care plan. Specifies
25 time limitations for requests for hearing, hearings,
26 decisions by a managed care plan, and termination or
27 nonrenewal of a provider contract.
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