By the Committee on Health Care Services and Representatives Goode, Melvin, Peaden, Hart, Barreiro, Brown, Farkas, Fiorentino, Valdes, Casey, Greenstein, Villalobos, Sanderson, Ritter, Fasano, J. Miller and Cosgrove

A bill to be entitled 1 2 An act relating to health care service 3 programs; amending s. 641.3903, F.S.; providing that described adverse actions by a health 4 5 maintenance organization against a health care provider constitute an unfair method of 6 7 competition and an unfair or deceptive act or 8 practice; amending s. 641.315, F.S.; 9 prohibiting the termination of a contract 10 between a health maintenance organization and a 11 health care provider unless the party terminating the contract provides a written 12 13 explanation of the contract termination; 14 providing restrictions on the use of specified information; providing a definition; amending 15 16 s. 641.51, F.S.; providing for continued 17 coverage and care of subscribers when a 18 contractual agreement between a health 19 maintenance organization or a prepaid health clinic and a treating provider is terminated 20 21 for any reason other than for cause; providing limitations and conditions of such continued 22 coverage and care; providing an exception; 23 providing applicability; providing an effective 24 25 date. 26 Be It Enacted by the Legislature of the State of Florida: 27 28 29 Section 1. Subsection (14) is added to section 30 641.3903, Florida Statutes, to read: 31

641.3903 Unfair methods of competition and unfair or deceptive acts or practices defined.—The following are defined as unfair methods of competition and unfair or deceptive acts or practices:

- (14) ADVERSE ACTION AGAINST A PROVIDER.--Any of the following actions by a health maintenance organization against a provider when such actions are taken on the basis that the provider communicated information to the provider's patient regarding medical care or treatment options for the patient when the provider deems knowledge of such information by the patient to be in the best interest of the patient:
 - (a) Termination of a contract with a provider;
- (b) Refusal to compensate the provider for health care services provided to subscribers; or
- (c) Any other retaliatory action against the provider.

 Section 2. Subsection (9) is added to section 641.315,

 Florida Statutes, to read:
 - 641.315 Provider contracts.--
- (9) A health maintenance organization may not terminate a contract with a health care provider, and a health care provider may not terminate a contract with a health maintenance organization, unless the party terminating the contract provides the terminated party with a written explanation of the reasons for the contract termination, which may include termination for business reasons of the terminating party. The reasons provided in the notice required in this section or any other information relating to the reason for termination may not be used as substantive evidence, but may be used for impeachment purposes in any administrative or civil action initiated by the terminated party against the terminating party. For the purposes of this

subsection, the term "health care provider" shall mean any 1 2 physician or group of physicians licensed under chapter 458, chapter 459, chapter 460, chapter 461, or chapter 466. 3 4 Section 3. Subsection (7) of section 641.51, Florida 5 Statutes, is amended to read: 6 641.51 Quality assurance program; second medical 7 opinion requirement. --8 (7) When a contractual agreement between an 9 organization and a treating provider is terminated for any 10 reason other than for cause, each party organization shall allow subscribers for whom treatment was active to continue 11 12 coverage and care when medically necessary through completion 13 of treatment of a condition for which the subscriber was receiving care at the time of the termination, until the 14 15 subscriber selects another treating provider, or during the next open enrollment period offered by the organization, 16 whichever is longer, but no longer than 6 months after 17 termination of the contract for 60 days with a terminated 18 treating provider when medically necessary, provided the 19 subscriber has a life-threatening condition or a disabling and 20 degenerative condition. Each party to the terminated contract 21 organization shall allow a subscriber who has initiated a 22 23 course of prenatal care, irrespective of the trimester in 24 which the care is initiated, is in the third trimester of pregnancy to continue care and coverage with a terminated 25 26 treating provider until completion of postpartum care. 27 However, the provisions of this subsection shall not preclude 28 a provider from refusing to continue to provide care to a particular subscriber for reasons unrelated to the termination 29 of the provider's contract with the health maintenance 30

organization. For care continued under this subsection, the

organization and the provider shall continue to be bound by the terms of the last contract mutually agreed to for such continued care. This subsection shall not apply to treating providers who have been terminated by the organization for cause. Section 4. This act shall take effect upon becoming a law, and shall apply only to contracts entered into on or after the effective date of this act.