

By Senator Campbell

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A bill to be entitled
An act relating to the provision of health care services; specifying conditions under which a health care provider must be permitted to participate as a service provider under a health plan offered by a managed care organization; defining the term "managed care organization"; providing for civil penalties; amending s. 627.419, F.S.; providing for construction of policies; providing for application; providing an effective date.

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

Section 1. Health care provider as an authorized service provider; penalties.--

(1) A managed care organization must allow any health care provider to participate as a service provider under a health plan offered by the managed care organization if the health care provider agrees to:

(a) Accept the reimbursement rates negotiated by the managed care organization with other health care providers that provide the same service under the health plan; and

(b) Comply with all guidelines relating to quality of care and utilization criteria which must be met by other employee or nonemployee providers.

(2) As used in this section, the term "managed care organization" means a health maintenance organization or prepaid health clinic certified under chapter 641, Florida Statutes, a health insurer that issues an exclusive provider organization policy under section 627.6472 or section

1 627.662(9), Florida Statutes, or a health insurer that issues
2 a preferred provider organization policy under section
3 627.6472 or section 627.662(8), Florida Statutes.

4 (3) A managed care organization that violates
5 subsection (1) is subject to a civil fine in the amount of:

6 (a) Up to \$25,000 for each violation; or

7 (b) If the Director of Health Care Administration
8 determines that the entity has engaged in a pattern of
9 violations of subsection (1), up to \$100,000 for each
10 violation.

11 Section 2. Subsection (10) is added to section
12 627.419, Florida Statutes, to read:

13 627.419 Construction of policies.--

14 (10)(a) Any health insurance policy, health care
15 services plan, or other contract that provides for payment for
16 medical expense benefits or procedures must allow any health
17 care provider to participate as a service provider under a
18 health plan offered by the health insurance policy, health
19 care services plan, or other contract that provides for
20 payment for medical expense benefits or procedures if the
21 health care provider agrees to:

22 1. Accept the reimbursement rates negotiated by the
23 health insurance policy, health care services plan, or other
24 contract that provides for payment for medical expense
25 benefits or procedures with other health care providers that
26 provide the same service under the health plan; and

27 2. Comply with all guidelines relating to quality of
28 care and utilization criteria which must be met by other
29 providers with whom the health insurance policy, health care
30 services plan, or other contract that provides for payment for
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1 medical expense benefits or procedures has contractual
2 arrangements for those services.
3 (b) The provider of any health insurance policy,
4 health care services plan, or other contract that violates
5 paragraph (a) is subject to a civil fine in the amount of:
6 1. Up to \$25,000 for each violation; or
7 2. If the Insurance Commissioner determines that the
8 provider has engaged in a pattern of violations of paragraph
9 (a), up to \$100,000 for each violation.
10 Section 3. Sections 1 and 2 of this act do not apply
11 to any health insurance policy that is in force before the
12 effective date of this act but do apply to such policies at
13 the next renewal period immediately following October 1, 2003.
14 Section 4. This act shall take effect October 1, 2003.
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17 SENATE SUMMARY
18 Requires that a health care provider be permitted to
19 participate as a service provider if the provider agrees
20 to accept the reimbursement rates for the health plan and
21 comply with certain guidelines. Provides civil penalties
22 for failure to comply with the act.
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