



HB 0455

2003

1 A bill to be entitled
 2 An act relating to the provision of health care services;
 3 specifying conditions under which a health care provider
 4 must be permitted to participate as a service provider
 5 under a health plan offered by a managed care
 6 organization; defining the term "managed care
 7 organization"; providing for civil penalties; amending s.
 8 627.419, F.S.; providing for construction of policies;
 9 providing for application; providing an effective date.

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

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

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

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

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

25 (2) As used in this section, the term "managed care
 26 organization" means a health maintenance organization or prepaid
 27 health clinic certified under chapter 641, Florida Statutes, a
 28 health insurer that issues an exclusive provider organization
 29 policy under section 627.6472 or section 627.662(9), Florida
 30 Statutes, or a health insurer that issues a preferred provider



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31 organization policy under section 627.6472 or section
 32 627.662(8), Florida Statutes.

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

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

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

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

41 627.419 Construction of policies.--

42 (10)(a) Any health insurance policy, health care services
 43 plan, or other contract that provides for payment for medical
 44 expense benefits or procedures must allow any health care
 45 provider to participate as a service provider under a health
 46 plan offered by the health insurance policy, health care
 47 services plan, or other contract that provides for payment for
 48 medical expense benefits or procedures if the health care
 49 provider agrees to:

50 1. Accept the reimbursement rates negotiated by the health
 51 insurance policy, health care services plan, or other contract
 52 that provides for payment for medical expense benefits or
 53 procedures with other health care providers that provide the
 54 same service under the health plan; and

55 2. Comply with all guidelines relating to quality of care
 56 and utilization criteria which must be met by other providers
 57 with whom the health insurance policy, health care services
 58 plan, or other contract that provides for payment for medical
 59 expense benefits or procedures has contractual arrangements for
 60 those services.



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61 (b) The provider of any health insurance policy, health
 62 care services plan, or other contract that violates paragraph
 63 (a) is subject to a civil fine in the amount of:

- 64 1. Up to \$25,000 for each violation; or
 65 2. If the Insurance Commissioner determines that the
 66 provider has engaged in a pattern of violations of paragraph
 67 (a), up to \$100,000 for each violation.

68 Section 3. Sections 1 and 2 of this act do not apply to
 69 any health insurance policy that is in force before the
 70 effective date of this act but do apply to such policies at the
 71 next renewal period immediately following October 1, 2003.

72 Section 4. This act shall take effect October 1, 2003.