HB 1235 2004 **CS**

CHAMBER ACTION

The Committee on Insurance recommends the following:

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Committee Substitute

Remove the entire bill and insert:

A bill to be entitled

An act relating to health maintenance organization provider contracts; amending s. 641.19, F.S.; defining the term "schedule of reimbursements"; amending s. 641.315, F.S.; requiring a contract between a health maintenance organization and a provider to disclose a complete schedule of reimbursements for contracted services, including changes and deviations; providing criteria, requirements, and limitations; providing a definition; providing an effective date.

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

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Section 1. Subsections (16) through (20) of section 641.19, Florida Statutes, are renumbered as subsections (17) through (21), respectively, and a new subsection (16) is added to said section to read:

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641.19 Definitions.--As used in this part, the term:

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(16) "Schedule of reimbursements" means a schedule of fees to be paid by a health maintenance organization to a physician provider for reimbursement for specific services pursuant to the terms of a contract. The physician provider's net reimbursement may vary after consideration of other factors, including, but not limited to, bundling codes together into another code and member cost-sharing responsibility according to the terms of the contract between the health maintenance organization and provider. The reimbursement schedule may be stated as:

- (a) A percentage of the Medicare fee schedule for specific relative-value services;
- (b) A listing of the reimbursements to be paid by Current Procedural Terminology codes for physicians that pertain to each physician's practice; or
 - (c) Any other method agreed upon by the parties.

Specific non-relative-value services shall be stated separately from relative-value services, and reimbursement for unclassified services shall be on a reasonable basis.

Section 2. Subsection (4) of section 641.315, Florida Statutes, is amended to read:

641.315 Provider contracts.--

- (4) Whenever a contract exists between a health maintenance organization and a provider, the health maintenance organization shall disclose to the provider:
- (a) The mailing address or electronic address where claims should be sent for processing. \div

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(b) The telephone number that a provider may call to have questions and concerns regarding claims addressed. ; and

- (c) The address of any separate claims-processing centers for specific types of services.
- (d)1. The complete schedule of reimbursements for all the services for which a health maintenance organization and a provider have contracted and any changes in or deviations from the contracted schedule of reimbursements. The health maintenance organization may satisfy this requirement by:
- <u>a.</u> Providing the schedule of reimbursements or changes in or deviations from the schedule by electronic means to the provider; or
- b. Providing a written copy of the schedule of reimbursements or changes or deviations from the schedule if requested by the provider.
- 2. The schedule of reimbursements is subject to the nondisclosure provisions of the contract, and the provider shall maintain the confidentiality of the schedule. For purposes of this paragraph, the term "provider" means a physician licensed under chapter 458, chapter 459, chapter 460, chapter 461, or chapter 466.

A health maintenance organization shall provide to its contracted providers no less than 30 calendar days' prior written notice of any changes in the information required in this subsection.

Section 3. This act shall take effect January 1, 2005.