

Amendment No.

CHAMBER ACTION

Senate

House

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1 Representative Galvano offered the following:

2
3 **Amendment (with title amendment)**

4 Remove lines 52-155 and insert:

5 Section 2. Subsections (18) and (19) are added to section
6 627.6131, Florida Statutes, to read:

7 627.6131 Payment of claims.--

8 (18) Notwithstanding the 30-month period provided in
9 subsection (6), all claims for overpayment submitted to a
10 provider licensed under chapter 458, chapter 459, chapter 460,
11 chapter 461, or chapter 466 must be submitted to the provider
12 within 12 months after the health insurer's payment of the
13 claim. A claim for overpayment shall not be permitted beyond 12
14 months after the health insurer's payment of a claim, except
15 that claims for overpayment may be sought beyond that time from
16 providers convicted of fraud pursuant to s. 817.234.

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17 (19) Notwithstanding any other provision of this section,
18 all claims for underpayment from a provider licensed under
19 chapter 458, chapter 459, chapter 460, chapter 461, or chapter
20 466 must be submitted to the insurer within 12 months after the
21 health insurer's payment of the claim. A claim for underpayment
22 shall not be permitted beyond 12 months after the health
23 insurer's payment of a claim.

24 Section 3. Section 627.638, Florida Statutes, is amended
25 to read:

26 627.638 Direct payment for hospital, medical services.--

27 (1) Any health insurance policy insuring against loss or
28 expense due to hospital confinement or to medical and related
29 services may provide for payment of benefits directly to any
30 recognized hospital, licensed ambulance provider, doctor, or
31 other person who provided the services, in accordance with the
32 provisions of the policy. To comply with this section, the words
33 "or to the hospital, licensed ambulance provider, doctor, or
34 person rendering services covered by this policy," or similar
35 words appropriate to the terms of the policy, shall be added to
36 applicable provisions of the policy.

37 (2) Whenever, in any health insurance claim form, an
38 insured specifically authorizes payment of benefits directly to
39 any recognized hospital, licensed ambulance provider, physician,
40 or dentist, the insurer shall make such payment to the
41 designated provider of such services, unless otherwise provided
42 in the insurance contract. The insurance contract may not
43 prohibit, and claims forms must provide an option for, the
44 payment of benefits directly to a licensed hospital, licensed

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45 ambulance provider, physician, or dentist for care provided
46 pursuant to s. 395.1041 or part III of chapter 401. The insurer
47 may require written attestation of assignment of benefits.
48 Payment to the provider from the insurer may not be more than
49 the amount that the insurer would otherwise have paid without
50 the assignment.

51 (3) Any insurer that has contracted with a preferred
52 provider as defined in s. 627.6471(1)(b) for the delivery of
53 health care services to its insureds shall make payments
54 directly to the preferred provider for such services.

55 Section 4. Section 627.64731, Florida Statutes, is created
56 to read:

57 627.64731 Leasing, renting, or granting access to a
58 participating provider.--

59 (1) As used in this section:

60 (a) "Contracting entity" means any person or entity that
61 is engaged in the act of contracting with participating
62 providers and has a direct contract with a participating
63 provider for the delivery of health care services or the selling
64 or assigning of physicians or physician panels to other health
65 care entities.

66 (b) "Participating provider" means a physician licensed
67 under chapter 458, chapter 459, chapter 460, chapter 461, or
68 chapter 466 or a physician group practice that has a health care
69 contract with a contracting entity and is entitled to
70 reimbursement for health care services rendered to an enrollee
71 under the health care contract and includes both preferred

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72 providers as defined in s. 627.6471 and exclusive providers as
73 defined in s. 627.6472.

74 (2) A contracting entity may not sell, lease, rent, or
75 otherwise grant access to the health care services of a
76 participating provider under a health care contract unless
77 expressly authorized by the health care contract. At the time a
78 health care contract is entered into with a participating
79 provider, the contracting entity shall, to the extent possible,
80 identify any third party to which the contracting entity has
81 granted access to the health care services of the participating
82 provider.

83 (3) Upon a request by a participating provider, a
84 contracting entity must provide the identity of any third party
85 that has been granted access to the health care services of the
86 participating provider.

87 (4) A contracting entity that leases, rents, or otherwise
88 grants access to the health care services of a participating
89 provider must maintain an Internet website or a toll-free
90 telephone number through which the provider may obtain a
91 listing, updated at least every 90 days, of the third parties
92 that have been granted access to the provider's health care
93 services.

94 (5) A contracting entity that leases, rents, or otherwise
95 grants access to a participating provider's health care services
96 must ensure that an explanation of benefits or remittance advice
97 furnished to the participating provider that delivers health
98 care services under the health care contract identifies the
99 contractual source of any applicable discount.

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100 (6) Subject to applicable continuity of care laws, the
101 right of a third party to exercise the rights and
102 responsibilities of a contracting entity under a health care
103 contract terminates on the day after the termination of the
104 participating provider's contract with the contracting entity.

105 (7) The provisions of this section do not apply if the
106 third party that is granted access to a participating provider's
107 health care services under a health care contract is:

108 (a) An employer or other entity providing coverage for
109 health care services to the employer's employees or the entity's
110 members and the employer or entity has a contract with the
111 contracting entity or the contracting entity's affiliate for the
112 administration or processing of claims for payment or services
113 provided under the health care contract;

114 (b) An entity providing administrative services to, or
115 receiving administrative services from, the contracting entity
116 or the contracting entity's affiliate or subsidiary; or

117 (c) An affiliate or a subsidiary of a contracting entity
118 or other entity if operating under the same brand licensee
119 program as the contracting entity.

120 (8) A health care contract may provide for arbitration of
121 disputes arising under this section.

122 (9) A contracting entity shall ensure that all third
123 parties to which the contracting entity has sold, rented,
124 assigned, or otherwise given access to the participating
125 provider's discounted rate comply with the physician contract,
126 including all requirements to encourage access to the
127 participating provider, and pay the provider pursuant to the

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128 rates of payment and methodology set forth in that contract,
129 unless otherwise agreed to by a participating provider.

130 (10) Notwithstanding any other provision of this section,
131 no contracting entity shall sell, rent, lease, or give a third
132 party the contracting entity's rights to a participating
133 provider's services pursuant to the contracting entity's health
134 care contract with the participating provider unless one of the
135 following applies:

136 (a) The third party accessing the participating provider's
137 services under the health care contract is an employer or other
138 entity providing coverage for health care services to its
139 employees or members, and that employer or entity has a contract
140 with the contracting entity or its affiliate for the
141 administration or processing of claims for payment for services
142 provided pursuant to the health care contract with the
143 participating provider.

144 (b) The third party accessing the participating provider's
145 services under the health care contract is an affiliate or
146 subsidiary of the contracting entity, is an entity operating
147 under the same brand licensee program as the contracting entity,
148 or is providing administrative services to or receiving
149 administrative services from the contracting entity or an
150 affiliate or subsidiary of the contracting entity.

151 (c) The health care contract specifically provides that it
152 applies to network rental arrangements and states that one
153 purpose of the contract is selling, renting, or giving the
154 contracting entity's rights to the services of the participating
155 provider, including other preferred provider organizations, and

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156 the third party accessing the participating provider's services
157 is:

158 1. A payor or a third-party administrator or other entity
159 responsible for administering claims on behalf of the payor;

160 2. A preferred provider organization or preferred provider
161 network that receives access to the participating provider's
162 services pursuant to an arrangement with the preferred provider
163 organization or preferred provider network in a contract with
164 the participating provider and is required to comply with all of
165 the terms, conditions, and affirmative obligations to which the
166 originally contracted primary participating provider network is
167 bound under its contract with the participating provider,
168 including, but not limited to, obligations concerning patient
169 steerage and the timeliness and manner of reimbursement; or

170 3. An entity that is engaged in the business of providing
171 electronic claims transport between the contracting entity and
172 the payor or third-party administrator and complies with all of
173 the applicable terms, conditions, and affirmative obligations of
174 the contracting entity's contract with the participating
175 provider, including, but not limited to, obligations concerning
176 patient steerage and the timeliness and manner of reimbursement.

177 (11) A contracting entity is deemed in compliance with
178 this section when the insured's identification card provides,
179 written or electronically, information that identifies the
180 preferred provider network or networks to be utilized to
181 reimburse the provider for covered services.

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182 (12) This section shall not apply to a contract between a
183 contracting entity and a discount medical plan organization
184 licensed or exempt under part II of chapter 636.

185 Section 5. Subsections (11), (12), and (13) of section
186 627.662, Florida Statutes, are renumbered as subsections (12),
187 (13), and (14), respectively, and a new subsection (11) is added
188 to that section to read:

189 627.662 Other provisions applicable.--The following
190 provisions apply to group health insurance, blanket health
191 insurance, and franchise health insurance:

192 (11) Section 627.64731, relating to leasing, renting, or
193 granting access to a participating provider.

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199 **T I T L E A M E N D M E N T**

200 Remove lines 7-33 and insert:

201 circumstances; amending s. 627.6131, F.S.; providing
202 requirements for and prohibitions against certain claims for
203 overpayment and claims for underpayment; amending s. 627.638,
204 F.S.; revising provisions providing for direct payment to
205 certain providers for certain services to include licensed
206 ambulance providers; requiring certain insurers to make payments
207 directly to contracted preferred providers for certain services;
208 creating s. 627.64731, F.S.; providing definitions; providing
209 requirements, limitations, and procedures for leasing, renting,
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210 or granting access to participating providers by third parties;
211 providing exceptions; providing for arbitration; prohibiting
212 third party access to certain services under certain
213 circumstances; providing exceptions; providing application;
214 amending s. 627.662, F.S.; expanding the list of applicable
215 sections to certain types of insurance; amending s.