

HB 1570 -- Health Care Provider Contracts

Sponsor: Stefanick

Effective January 1, 2005, health carriers, health benefit plans, and entities that contract with health care providers to provide health care services are prohibited from changing any insurance code submitted by the provider for reimbursement purposes unless the provider gives express written permission.

Exceptions which allow health carriers, health benefit plans, and other entities to change an insurance code are:

(1) If the change is consistent with correct coding initiative guidelines that are related to current procedural terminology (c.p.t.) guidelines; or

(2) If the change is based on an examination of a patient's medical record to determine the health care services provided.

Health carriers, health benefit plans, and other entities that contract with health care providers for health care services are required to attach the following information to provider contracts upon execution:

(1) Insurance codes and code modifiers that can be submitted by providers for insurance reimbursement;

(2) Fee schedules, reimbursement policies, and information concerning the range of services reasonably expected to be delivered by a contracting health care provider; and

(3) Material addenda, schedules, exhibits, and policies pertaining to a range of services delivered by a contracting health care provider.

The bill also prohibits:

(1) Amendments to provider contracts, addenda, and fee schedules from taking effect until 60 days after health care providers have been provided the same information; and

(2) Health carriers from requiring that health care providers pay a fee, commission, rebate, or other form of compensation as a condition of becoming or remaining a participating health care provider. This provision will take effect August 28, 2004.