

SECOND REGULAR SESSION

HOUSE BILL NO. 2359

94TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE WILSON (130).

Read 1st time March 5, 2008 and copies ordered printed.

D. ADAM CRUMBLISS, Chief Clerk

3759L.02I

AN ACT

To amend chapter 376, RSMo, by adding thereto one new section relating to notification of network changes by health carriers.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Chapter 376, RSMo, is amended by adding thereto one new section, to be
2 known as section 376.1373, to read as follows:

376.1373. 1. As used in this section, the following terms shall mean:

2 **(1) "Change in participation status", a change of a provider from an in-network**
3 **provider to an out-of-network provider;**

4 **(2) "In-network provider", a provider under contract with a health carrier to**
5 **provide services to enrollees at the reimbursement rates and enrollee costs associated with**
6 **covered network services;**

7 **(3) "Out-of-network", a provider not under contract with a health carrier and who**
8 **provides services to enrollees at the reimbursement rate and enrollee costs associated with**
9 **out-of-network services;**

10 **(4) "Participating provider", an in-network provider that provides services at in-**
11 **network reimbursement rates and enrollee costs;**

12 **(5) "Participation status", the contracted or otherwise agreed upon level of**
13 **reimbursement that a provider may expect from the health carrier and which affects the**
14 **amount of payment owed to the provider by the enrollee.**

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

15 **2. All health carriers shall provide notification in writing or electronically, or**
16 **telephonically with the permission of the enrollee, to all enrollees if the participation status**
17 **of any in-network provider changes from in-network to out-of-network. Such notice shall**
18 **be delivered to enrollees at least thirty business days before the effective date of the change**
19 **in the provider's participation status. At the health carrier's option and in lieu of notifying**
20 **all enrollees, the health carrier may notify only enrollees who have been seen by the in-**
21 **network provider whose participation status is changing in the twelve-calendar-month**
22 **period immediately preceding the date of the change of the provider's participation status.**

23 **3. (1) All health carriers shall have a written procedure for ensuring continuity of**
24 **care when a change in the participation status of any in-network provider occurs. Such**
25 **written procedure shall be applicable regardless of the reason for the change.**

26 **(2) The procedure shall include enrollee notification of the change in the in-network**
27 **provider's participation status and, if necessary, transferred to other health care providers**
28 **in the provider network in a timely manner.**

29 **(3) The health carrier shall provide a copy of the procedure to the enrollee,**
30 **providers, or the director upon request.**

31 **(4) The procedure shall be subject to any requirements the director may deem**
32 **necessary to ensure compliance with state law.**

33 **4. If the participation status of an in-network provider changes, regardless of the**
34 **reason for the change, the provision of health care services by a health carrier shall be**
35 **subject to the following:**

36 **(1) The health carrier shall assure continuation of care to enrollees affected by such**
37 **change for a period of up to ninety days when the continuation of care is medically**
38 **necessary and in accordance with the dictates of medical prudence, including but not**
39 **limited to circumstances such as disability, pregnancy, or life-threatening illness;**

40 **(2) If continuation of care is necessary or if the health carrier failed to timely notify**
41 **the enrollees as prescribed by subsection 2 of this section, an enrollee shall continue to**
42 **receive services at the contracted rate and costs specified for in-network provider services,**
43 **including all deductibles, coinsurance, and copayments, in the certificate of coverage or**
44 **other contract between the enrollee and the health carrier. No such enrollee shall be**
45 **responsible or otherwise liable for any costs incurred which exceed the in-network rates**
46 **and costs associated with the provision of such services;**

47 **(3) If the in-network provider whose participation status changes to out-of-network**
48 **is authorized to continue to provide services to an enrollee under this section, the health**
49 **carrier shall reimburse such provider for services provided to the enrollee at the previously**
50 **contracted rate for the provider when the provider was an in-network provider under the**

51 certificate of coverage or other contract between the provider and the health carrier. Such
52 provider shall not bill or otherwise charge the enrollee for any costs other than the
53 authorized in-network costs, such as deductibles, coinsurance, or copayments, specified in
54 the certificate of coverage or other contract between the enrollee and the health carrier;

55 (4) The health carrier shall include the continuation of care requirements described
56 in this subsection in the evidence of coverage provided to enrollees and in all provider
57 contracts entered into, including any subcontracts and affected subcontractors;

58 (5) Upon request of the director, the health carrier shall provide a copy of provider
59 contracts or subcontracts. Such contracts and subcontracts shall be subject to any
60 requirements the director deems necessary to ensure compliance with state law.

61 5. The director may promulgate rules to administer and implement the provisions
62 of this section. Any rule or portion of a rule, as that term is defined in section 536.010,
63 RSMo, that is created under the authority delegated in this section shall become effective
64 only if it complies with and is subject to all of the provisions of chapter 536, RSMo, and,
65 if applicable, section 536.028, RSMo. This section and chapter 536, RSMo, are
66 nonseverable and if any of the powers vested with the general assembly pursuant to
67 chapter 536, RSMo, to review, to delay the effective date, or to disapprove and annul a rule
68 are subsequently held unconstitutional, then the grant of rulemaking authority and any
69 rule proposed or adopted after August 28, 2008, shall be invalid and void.

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