

HB 3088 -- CONDUCT AFFECTING HEALTH CARE PROVIDER NETWORKS

SPONSOR: Diehl

COMMITTEE ACTION: Voted "Do Pass" by the Standing Committee on General Laws by a vote of 8 to 5.

This bill adds provisions relating to conduct affecting health care provider networks.

It adds definitions of "anti-steering clause", "anti-tiering clause", "covered individual", "enrollee", "facility", "gag clause", "general contracting entity", "health benefit plan", "health care service", "most-favored-nation clause", "provider", and "provider network contract".

The bill prohibits providers from the following:

- (1) Offering to a general contracting entity a written provider network contract that includes an anti-steering, anti-tiering, gag, or most-favored-nation clause;
- (2) Entering into a provider network contract that includes an anti-steering, anti-tiering, gag, or most-favored-nation clause; or
- (3) Amending or renewing an existing provider network contract that has been previously entered into with a general contracting entity so that the contract, as amended or renewed, adds or retains an anti-steering, anti-tiering, gag, or most-favored-nation clause.

Any provision in a provider network contract that is an anti-steering, anti-tiering, gag, or most-favored-nation clause is void and unenforceable.

The bill additionally provides that a health benefit plan issuer that encourages an enrollee to obtain a health care service from a particular provider, including offering incentives, or that introduces or modifies a tiered network plan or assigns providers into tiers, has a fiduciary duty to the enrollee or policyholder to engage in that conduct only for the enrollee's or policyholder's benefit.

PROPOSERS: Supporters say that consumers must have access to healthcare and the ability to look for savings effectively. This prevents hospitals from keeping doctors from telling a patient

where a better "deal" would be. Many practices done by hospitals and insurance companies are anti-consumer. Healthcare costs are rising without any real improvements, but this bill helps remove anti-competitive language. This bill is a firewall that gets ahead of problems being seen in other states.

Testifying in person for the bill were Representative Diehl; Adam Meier, Cicero Action; Hampton Williams, Missouri Insurance Coalition; FGA Action; and Josh Haynes, Elevance Health.

OPPONENTS: Those who oppose the bill say that hospitals aren't dominant and operate in margins that look more like survival than profit. This would allow insurance companies to undercut the hospitals on already agreed terms. This would add too many complexities to consumers. Hospitals need to be able to pay their doctors. The bill, as written, is hard to follow. Insurance companies should be kept from putting their fingers on the scale.

Testifying in person against the bill were Missouri Hospital Association and Arnie C. Dienoff.

Written testimony has been submitted for this bill. The full written testimony and witnesses testifying online can be found under Testimony on the bill page on the House website.