



General Assembly

Substitute Bill No. 929

January Session, 2005

* SB00929INS 032205 *

AN ACT CONCERNING STANDARDS IN CONTRACTS BETWEEN HEALTH INSURERS AND PHYSICIANS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (*Effective October 1, 2005*) (a) As used in this
2 section: (1) "Contracting health organization" means (A) a managed
3 care organization, as defined in section 38a-478 of the general statutes,
4 or (B) a preferred provider network, as defined in section 38a-479aa of
5 the general statutes; and (2) "physician" means a physician or surgeon,
6 chiropractor, podiatrist, psychologist or optometrist.

7 (b) Each contract for services to be provided to residents of this state
8 entered into, renewed, amended or modified on or after October 1,
9 2005, between a contracting health organization and a physician shall
10 include provisions that: (1) Provide an explanation of the physician
11 payment methodology, the time periods for physician payments, the
12 information to be relied on to calculate payments and adjustments and
13 the process to be employed to resolve disputes concerning physician
14 payments; and (2) require that the contracting health organization
15 provide to each participating physician a copy of the fee schedule that
16 determines the physician's reimbursement.

17 Sec. 2. (*Effective from passage*) (a) There is established a task force to
18 study contracts between contracting health organizations, as defined in
19 section 1 of this act, and physicians, as defined in section 1 of this act.

20 The task force shall study such contracts to determine whether
21 legislation should be enacted to address contracts that allow the
22 organizations to (1) make unilateral changes in such contracts, or (2)
23 reduce the level of service coded on a claim submitted by a physician
24 without conducting a reasonable investigation based on all available
25 medical records pertaining to the claim.

26 (b) The task force shall consist of the following members:

27 (1) Two appointed by the speaker of the House of Representatives;

28 (2) Two appointed by the president pro tempore of the Senate;

29 (3) One appointed by the majority leader of the House of
30 Representatives;

31 (4) One appointed by the majority leader of the Senate;

32 (5) One appointed by the minority leader of the House of
33 Representatives;

34 (6) One appointed by the minority leader of the Senate;

35 (7) The Insurance Commissioner, or the commissioner's designee;
36 and

37 (8) The chairpersons and ranking members of the joint standing
38 committee of the General Assembly having cognizance of matters
39 relating to insurance.

40 (c) Any member of the task force appointed under subdivision (1),
41 (2), (3), (4), (5) or (6) of subsection (b) of this section may be a member
42 of the General Assembly.

43 (d) All appointments to the task force shall be made no later than
44 thirty days after the effective date of this section. Any vacancy shall be
45 filled by the appointing authority.

46 (e) The speaker of the House of Representatives and the president

47 pro tempore of the Senate shall select the chairpersons of the task
48 force, from among the members of the task force. Such chairpersons
49 shall schedule the first meeting of the task force, which shall be held no
50 later than sixty days after the effective date of this section.

51 (f) The administrative staff of the joint standing committee of the
52 General Assembly having cognizance of matters relating to insurance
53 shall serve as administrative staff of the task force.

54 (g) Not later than January 1, 2006, the task force shall submit a
55 report on its findings and recommendations to the joint standing
56 committee of the General Assembly having cognizance of matters
57 relating to insurance, in accordance with the provisions of section 11-
58 4a of the general statutes. The task force shall terminate on the date
59 that it submits such report or January 1, 2006, whichever is earlier.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2005</i>	New section
Sec. 2	<i>from passage</i>	New section

INS *Joint Favorable Subst.*