



General Assembly

February Session, 2006

Raised Bill No. 5461

LCO No. 1724

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Referred to Committee on Insurance and Real Estate

Introduced by:
(INS)

AN ACT CONCERNING PREFERRED PROVIDER NETWORKS.

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

1 Section 1. Subdivision (7) of section 38a-479aa of the general statutes
2 is repealed and the following is substituted in lieu thereof (*Effective*
3 *from passage*):

4 (7) "Preferred provider network" means a person, which is not a
5 managed care organization, but which pays claims for the delivery of
6 health care services, accepts financial risk for the delivery of health
7 care services and establishes, operates or maintains an arrangement or
8 contract with providers relating to (A) the health care services
9 rendered by the providers, and (B) the amounts to be paid to the
10 providers for such services. "Preferred provider network" does not
11 include (i) a workers' compensation preferred provider organization
12 established pursuant to section 31-279-10 of the regulations of
13 Connecticut state agencies, [or] (ii) an independent practice association
14 or physician hospital organization whose primary function is to
15 contract with insurers and provide services to providers, or (iii) a
16 private clinical laboratory, licensed pursuant to section 19a-30, whose
17 primary payments for any contracted or referred services are made to

18 other licensed clinical laboratories or for associated pathology services.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	38a-479aa(7)

Statement of Purpose:

To exclude from the definition of "preferred provider network", licensed clinical laboratories whose primary payments for any contracted or referral services are made to other licensed laboratories or for associated pathology services.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]