



House of Representatives

File No. 622

General Assembly

February Session, 2018

(Reprint of File No. 316)

Substitute House Bill No. 5383
As Amended by House Amendment
Schedule "A"

Approved by the Legislative Commissioner
April 20, 2018

***AN ACT CONCERNING DISPUTES BETWEEN HEALTH CARRIERS
AND PARTICIPATING PROVIDERS THAT ARE HOSPITALS.***

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

1 Section 1. Subsection (g) of section 38a-472f of the 2018 supplement
2 to the general statutes is repealed and the following is substituted in
3 lieu thereof (*Effective July 1, 2018*):

4 (g) (1) (A) A health carrier and participating provider shall provide
5 at least [sixty] ninety days' written notice to each other before the
6 health carrier removes a participating provider from the network or
7 the participating provider leaves the network. Each participating
8 provider that receives a notice of removal or issues a departure notice
9 shall provide to the health carrier a list of such participating provider's
10 patients who are covered persons under a network plan of such health
11 carrier.

12 (B) A health carrier shall make a good faith effort to provide written
13 notice, not later than thirty days after the health carrier receives or
14 issues a written notice under subparagraph (A) of this subdivision, to

15 all covered persons who are patients being treated on a regular basis
16 by or at the participating provider being removed from or leaving the
17 network, irrespective of whether such removal or departure is for
18 cause.

19 (C) For each contract entered into, renewed, amended or continued
20 on or after July 1, 2018, between a health carrier and a participating
21 provider that is a hospital, as defined in section 38a-493, or a parent
22 corporation of a hospital, if the contract is not renewed or is terminated
23 by either the health carrier or the participating provider, the health
24 carrier and the participating provider shall continue to abide by the
25 terms of such contract, including reimbursement terms, for a period of
26 sixty days from the date of termination or, in the case of a nonrenewal,
27 from the end of the contract period. Except as otherwise agreed
28 between such health carrier and such participating provider, the
29 reimbursement terms of any contract entered into by such health
30 carrier and such participating provider during said sixty-day period
31 shall be retroactive to the date of termination or, in the case of a
32 nonrenewal, the end date of the contract period. This subparagraph
33 shall not apply if the health carrier and participating provider agree, in
34 writing, to the termination or nonrenewal of the contract and the
35 health carrier and participating provider provide the notices required
36 under subparagraphs (A) and (B) of this subdivision.

37 (2) (A) For the purposes of this subdivision:

38 (i) "Active course of treatment" means (I) a medically necessary,
39 ongoing course of treatment for a life-threatening condition, (II) a
40 medically necessary, ongoing course of treatment for a serious
41 condition, (III) medically necessary care provided during the second or
42 third trimester of pregnancy, or (IV) a medically necessary, ongoing
43 course of treatment for a condition for which a treating health care
44 provider attests that discontinuing care by such health care provider
45 would worsen the covered person's condition or interfere with
46 anticipated outcomes;

47 (ii) "Life-threatening condition" means a disease or condition for
48 which the likelihood of death is probable unless the course of such
49 disease or condition is interrupted;

50 (iii) "Serious condition" means a disease or condition that requires
51 complex ongoing care such as chemotherapy, radiation therapy or
52 postoperative visits, which the covered person is currently receiving;
53 and

54 (iv) "Treating provider" means a covered person's treating health
55 care provider or a facility at which a covered person is receiving
56 treatment, that is removed from or leaves a health carrier's network
57 pursuant to subdivision (1) of this subsection.

58 (B) (i) Each health carrier shall establish and maintain reasonable
59 procedures to transition a covered person, who is in an active course of
60 treatment with a participating health care provider or at a participating
61 facility that becomes a treating provider, to another participating
62 provider in a manner that provides for continuity of care.

63 (ii) In addition to the notice required under subparagraph (B) of
64 subdivision (1) of this subsection, the health carrier shall provide to
65 such covered person (I) a list of available participating providers in the
66 same geographic area as such covered person who are of the same
67 health care provider or facility type, and (II) the procedures for how
68 such covered person may request continuity of care as set forth in this
69 subparagraph.

70 (iii) Such procedures shall provide that:

71 (I) Any request for a continuity of care period shall be made by the
72 covered person or the covered person's authorized representative;

73 (II) A request for a continuity of care period, made by a covered
74 person who meets the requirements under subparagraph (B)(i) of this
75 subdivision or such covered person's authorized representative and
76 whose treating provider was not removed from or did not leave the

77 network for cause, shall be reviewed by the health carrier's medical
78 director after consultation with such treating provider; and

79 (III) For a covered person who is in the second or third trimester of
80 pregnancy, the continuity of care period shall extend through the
81 postpartum period.

82 (iv) The continuity of care period for a covered person who is
83 undergoing an active course of treatment shall extend to the earliest of
84 the following: (I) Termination of the course of treatment by the covered
85 person or the treating provider; (II) ninety days after the date the
86 participating provider is removed from or leaves the network, unless
87 the health carrier's medical director determines that a longer period is
88 necessary; (III) the date that care is successfully transitioned to another
89 participating provider; (IV) the date benefit limitations under the
90 health benefit plan are met or exceeded; or (V) the date the health
91 carrier determines care is no longer medically necessary.

92 (v) The health carrier shall only grant a continuity of care period as
93 provided under subparagraph (B)(iv) of this subdivision if the treating
94 provider agrees, in writing, (I) to accept the same payment from such
95 health carrier and abide by the same terms and conditions as provided
96 in the contract between such health carrier and treating provider when
97 such treating provider was a participating provider, and (II) not to
98 seek any payment from the covered person for any amount for which
99 such covered person would not have been responsible if the treating
100 provider was still a participating provider.

This act shall take effect as follows and shall amend the following sections:		
Section 1	July 1, 2018	38a-472f(g)

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact: None

Municipal Impact: None

Explanation

The bill's increased notice requirements are not anticipated to result in a fiscal impact to the state or municipal health plans, nor is the 60 day continuation of terms for disputed non-renewals or terminations. The impact to the plans will be determined by any subsequent negotiated contract and not as a result of the provisions of the bill.

House "A" struck the underlying bill and its associated fiscal impact and resulted in the impact described above.

The Out Years

State Impact: None

Municipal Impact: None

OLR Bill Analysis**sHB 5383 (as amended by House "A")******AN ACT CONCERNING DISPUTES BETWEEN HEALTH CARRIERS AND PARTICIPATING PROVIDERS THAT ARE HOSPITALS.*****SUMMARY**

This bill requires health carriers and hospitals to continue to abide by a contract's terms for 60 days following a nonrenewal or termination. Under the bill, a health carrier and a participating provider hospital (i.e., a hospital that contracts with the carrier to be "in network") or the hospital's parent corporation must continue to abide by the terms of a nonrenewed or terminated contract, including reimbursement terms, for at least 60 days after the contract ends. If the carrier and provider renew or enter into a new contract within the 60-day period, the bill requires the new contract's reimbursement terms to be retroactive to the date the original contract ended, unless the parties agree otherwise.

However, health carriers and participating provider hospitals that mutually agree in writing to not renew or terminate a contract may do so without meeting the 60-day requirement as long as they provide the statutory notification, which includes making a good faith effort to notify all impacted patients at least 30 days in advance of the nonrenewal or termination.

The contracting provisions apply to any contract entered into, renewed, amended, or continued on or after July 1, 2018.

The bill also increases, from 60 to 90 days, the amount of advanced notice a health carrier and participating provider must provide each other before the carrier removes a provider from, or the provider leaves, the network.

The bill also makes a conforming change.

*House Amendment "A" adds the requirement that, unless the provider and health carrier mutually agree to other terms, the reimbursement terms of any contract entered or renewed during the 60-day period are retroactive to the original contract's end date.

EFFECTIVE DATE: July 1, 2018

COMMITTEE ACTION

Insurance and Real Estate Committee

Joint Favorable Substitute

Yea 20 Nay 1 (03/20/2018)