



House of Representatives

File No. 774

General Assembly

January Session, 2023

(Reprint of File No. 362)

House Bill No. 6782
As Amended by House Amendment
Schedule "A"

Approved by the Legislative Commissioner
May 12, 2023

AN ACT CONCERNING NOTICES OF TERMINATION OF HEALTH CARE CONTRACTS.

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 general statutes is
2 repealed and the following is substituted in lieu thereof (*Effective from*
3 *passage*):

4 (g) (1) (A) A health carrier and participating provider shall provide
5 [at least] not less than ninety days' written notice to each other [before
6 the 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] of any intent to terminate a contract between such health carrier
12 and such participating provider prior to the proposed date of
13 termination or, in the case of a nonrenewal, from the end of the contract

14 period.

15 (B) A health carrier shall make a good faith effort to provide written
16 notice, not [later] less than thirty days [after the health carrier receives
17 or issues a written notice under subparagraph (A) of this subdivision]
18 before the proposed date of termination of the contract or, in the case of
19 a nonrenewal, from the end of the contract period, to all covered persons
20 who are patients being treated on a regular basis by or at the
21 participating provider. [being removed from or leaving the network,
22 irrespective of whether such removal or departure is for cause.] The
23 notice requirements set forth in this subparagraph shall not apply if the
24 health carrier and participating provider agree, in writing, on an
25 extension of such contract for a period not to exceed one year.

26 (C) For each contract entered into, renewed, amended or continued
27 on or after July 1, [2018] 2024, between a health carrier and a
28 participating provider that is a hospital, as defined in section 38a-493, or
29 a parent corporation of a hospital or an intermediary of a hospital, if the
30 contract is not renewed or is terminated by either the health carrier or
31 the participating provider, the health carrier and the participating
32 provider shall continue to abide by the terms of such contract, including
33 reimbursement terms for all health care services and provisions
34 provided under such contract, for a period of sixty days from the date
35 of termination or, in the case of a nonrenewal, from the end of the
36 contract period. Except as otherwise agreed between such health carrier
37 and such participating provider, the reimbursement terms of any
38 contract entered into by such health carrier and such participating
39 provider during said sixty-day period shall be retroactive to the date of
40 termination or, in the case of a nonrenewal, the end date of the contract
41 period. This subparagraph shall not apply if the health carrier and
42 participating provider agree, in writing, to the termination or
43 nonrenewal of the contract and the health carrier and participating
44 provider provide the notices required under subparagraphs (A) and (B)
45 of this subdivision.

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

47 (i) "Active course of treatment" means (I) a medically necessary,
48 ongoing course of treatment for a life-threatening condition, (II) a
49 medically necessary, ongoing course of treatment for a serious
50 condition, (III) medically necessary care provided during the second or
51 third trimester of pregnancy, or (IV) a medically necessary, ongoing
52 course of treatment for a condition for which a treating health care
53 provider attests that discontinuing care by such health care provider
54 would worsen the covered person's condition or interfere with
55 anticipated outcomes;

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

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

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

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

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

78 (iii) Such procedures shall provide that:

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

81 (II) A request for a continuity of care period, made by a covered
82 person who meets the requirements under subparagraph (B)(i) of this
83 subdivision or such covered person's authorized representative and
84 whose treating provider was not removed from or did not leave the
85 network for cause, shall be reviewed by the health carrier's medical
86 director after consultation with such treating provider; and

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

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

100 (v) The health carrier shall only grant a continuity of care period as
101 provided under subparagraph (B)(iv) of this subdivision if the treating
102 provider agrees, in writing, (I) to accept the same payment from such
103 health carrier and abide by the same terms and conditions as provided
104 in the contract between such health carrier and treating provider when
105 such treating provider was a participating provider, and (II) not to seek
106 any payment from the covered person for any amount for which such
107 covered person would not have been responsible if the treating provider
108 was still a participating provider."

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	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 has no fiscal impact to the state or municipalities as it pertains to private contracts between health insurers and providers, and the notifications health insurers must send to insureds when those contracts are set to terminate.

House "A" strikes the underlying bill and its associated fiscal impact, resulting in the fiscal impact described above.

The Out Years

State Impact: None

Municipal Impact: None

OLR Bill Analysis**HB 6782 (as amended by House "A")******AN ACT CONCERNING NOTICES OF TERMINATION OF HEALTH CARE CONTRACTS.*****SUMMARY**

This bill requires a health carrier (e.g., insurer or HMO) and each provider participating in its network (i.e., participating provider) to give each other at least 90 days' written notice of an intent to terminate the contract before the proposed termination date or, if a nonrenewal, the end of the contract period. (This replaces current law's requirement for at least 90 days' notice before a participating provider is removed from or leaves a network.)

The bill requires the carrier to make a good faith effort to notify all insureds who are regular patients of the participating provider at least 30 days before the proposed termination date or, if a nonrenewal, the end of the contract period. (Current law instead requires this within 30 days after notification that a provider is being removed from or leaving a network.) Under the bill, this patient notification is not required if the carrier and participating provider agree in writing to extend the contract up to one year. The bill also eliminates a requirement that a provider leaving or removed from a network give the carrier a list of its covered patients.

By law, when a contract between a health carrier and a participating hospital or its parent corporation is terminated or not renewed, the carrier and hospital must continue to abide by the contract for an additional 60 days. For contracts entered into, renewed, amended, or continued on or after July 1, 2024, the bill (1) additionally applies this requirement to hospital intermediaries and (2) specifically requires that

the contract terms the parties must continue abiding by for 60 days include the reimbursement terms for all health care services. (As under current law, these provisions do not apply if the carrier and hospital agree in writing to the contract termination and make the notices described above.)

However, the bill takes effect upon passage. As a result, the law's provisions on continuing contract terms for 60 days (and the bill's modifications to those provisions) appear to not apply to contracts entered into, amended, or renewed before July 1, 2024. Thus, it is unclear if the current law remains in place until July 1, 2024.

*House Amendment "A" replaces the underlying bill with similar provisions and makes the following changes: (1) adds reference to a contract nonrenewal; (2) removes a requirement that a contract automatically extends or renews if a carrier or participating provider does not give the required notice; (3) removes a requirement that providers must give carriers patient lists; (4) changes the carrier's due date for notifying patients to at least 30 days before the proposed termination date, rather than within 30 days before the provider leaves the network; and (5) moves the effective date from October 1, 2023, to upon passage.

EFFECTIVE DATE: Upon passage

COMMITTEE ACTION

Insurance and Real Estate Committee

Joint Favorable

Yea 10 Nay 2 (03/16/2023)