

Department of Planning and Budget 2006 Fiscal Impact Statement

1. Bill Number HB323

House of Origin ☐ Introduced ☒ Substitute ☐ Engrossed
Second House ☐ In Committee ☐ Substitute ☐ Enrolled

2. Patron Morgan

3. Committee Commerce and Labor

4. Title Health insurance; provider panel contracts.

5. Summary/Purpose:

Requires any contract between a health care provider and an insurance carrier or other entity that provides health care services to a carrier to permit the provider to refuse participation, at the time the contract is executed, reissued, continued, or extended, in any other panel, product, or plan owned or operated by the carrier or other entity. Currently, a similar requirement applies only to provider panels, and the right to refuse participation must be exercised at the time the contract is executed. The measure also requires provider panel contracts to permit the provider to refuse to participate with any panel, product, or plan offered by an unaffiliated carrier or other entity if the terms of participation differ in any way from the terms of the original contract. Currently, the right to refuse to participate in the panel of an unaffiliated carrier exists if the terms vary materially.

6. No Fiscal Impact

7. Budget amendment necessary: No

8. Fiscal implications: The Department of Human Resource Management indicates that this bill should not adversely impact the state employee health insurance program.

9. Specific agency or political subdivisions affected: Health insurance carriers and providers.

10. Technical amendment necessary: No

11. Other comments: None

Date: 2/13/2006/ JDH

Document: DPB G:\EFIS\2006\DHRM-Healthinsurance\HB323H1.DOC

cc: Secretary of Administration