

## State Corporation Commission 2021 Fiscal Impact Statement

**1. Bill Number:** HB2021

House of Origin	<input checked="" type="checkbox"/>	Introduced	<input type="checkbox"/>	Substitute	<input type="checkbox"/>	Engrossed
Second House	<input type="checkbox"/>	In Committee	<input type="checkbox"/>	Substitute	<input type="checkbox"/>	Enrolled

**2. Patron:** Gooditis

**3. Committee:** Labor and Commerce Committee

**4. Title:** Health insurance; provider contracts; report.

**5. Summary:** Prohibits a carrier from unilaterally amending any material provision of a provider contract or adding any new material provision to any provider contract within 12 months of execution of the provider contract or the date of last amendment to the provider contract. The measure requires such an amendment to be agreed to by the provider in a signed written amendment to the provider contract. The measure defines a material provision of a provider contract as the fee schedule and any provision contained in the body of the provider contract including definitions, any provision required to be included in a provider contract, and any provision related to the term or duration of the provider contract, the method by which the provider contract can be amended or terminated, obligations of the parties, notices and reporting, coordination of benefits, the period of time required for submission or payment of claims, retroactive denial of a previously paid claim, dispute resolution, or arbitration procedures.

The measure requires that carriers supply fee schedules in writing, make fee schedules available in machine-readable electronic format, and provide the complete fee schedule applicable to the provider for each health plan in which the provider participates or is proposed to participate. The measure requires that amendments to a provider contract be presented in a manner so as to allow the provider to easily identify the specific terms being proposed for amendment and that proposed amendments be formatted to clearly identify the changes to the language of the agreement.

The measure requires provider contracts to permit a provider a minimum of 180 days from the date a health care service is rendered to submit a claim for payment. The measure also (i) requires the State Corporation Commission to promulgate regulations to establish a procedure for accepting and resolving complaints relating to an alleged or suspected failure to comply with the minimum fair business standards as it relates to any provider or carrier, (ii) authorizes the Commission is to investigate complaints, (iii) subjects a person that refuses or fails to provide information in a timely manner to the Commission to enforcement and penalty provisions, and (iv) requires the Commission to report annually on the complaints received and the results of any investigation made to the House Committees on Labor and Commerce and Health, Welfare and Institutions and the Senate Committees on Commerce and Labor and Education and Health and to the Joint Commission on Health Care.

**6. Budget amendment necessary:** No

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**7. Fiscal Impact Estimates:** No Fiscal Impact on the State Corporation Commission

**8. Fiscal Implications:** None on the State Corporation Commission

**9. Specific agency or political subdivisions affected:** State Corporation Commission Bureau of Insurance

**10. Technical amendment necessary:** No

**11. Other comments:** House Bill 2274 and Senate Bill 1289 are also bills pertaining to provider contracts and are somewhat similar to House Bill 2021.

**Date:** 01/19/21/V. Tompkins