

MAINE STATE LEGISLATURE

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STATE OF MAINE
SENATE
118TH LEGISLATURE
FIRST SPECIAL SESSION

SENATE AMENDMENT " A" to H.P. 401, L.D. 546, Bill, "An Act to Ensure Responsible Coordination of Medical Care under Managed Care"

Amend the bill by striking out all of section 1 (page 1, lines 3 to 11 in L.D.) and inserting in its place the following:

Sec. 1. 24-A MRSA §4303, sub-§2, ¶¶A and B, as enacted by PL 1995, c. 673, Pt. C, §1 and affected by §2, are amended to read:

A. The granting of credentials must be based on objective standards that are available to providers upon application for credentialling. A carrier shall consult with appropriately qualified health care professionals in developing its credentialling standards.

B. All credentialling decisions regarding--the, including those granting of, denying or withdrawing credentials, including--a decision--to--deselect--a--provider, must be in writing. The provider must be provided with all reasons for the denial of an application, --nonrenewal--of--a--contract--or termination--of--a--contract for credentialling or the withdrawal of credentials. A withdrawal of credentials must be treated as a provider termination and is subject to the requirements of subsection 3-A.

Sec. 2. 24-A MRSA §4303, sub-§3-A is enacted to read:

3-A. Termination of participating providers. A carrier offering a managed care plan may not terminate or nonrenew a contract with a participating provider unless the carrier

2 provides the provider with a written explanation prior to the
3 termination or nonrenewal of the reasons for the proposed
4 contract termination or nonrenewal and provides an opportunity
5 for a review or hearing in accordance with this subsection. The
6 existence of a termination without cause provision in a carrier's
7 contract with a provider does not supersede the requirements of
8 this subsection. This subsection does not apply to termination
9 cases involving imminent harm to patient care, a final
10 determination of fraud by a governmental agency, a final
11 disciplinary action by a state licensing board or other
12 governmental agency that impairs the ability of a provider to
13 practice. A review or hearing of proposed contract termination
14 must meet the following requirements.

15 A. The notice of the proposed contract termination or
16 nonrenewal provided by the carrier to the participating
17 provider must include:

18 (1) The reason or reasons for the proposed action in
19 sufficient detail to permit the provider to respond;

20 (2) Reference to the evidence or documentation
21 underlying the carrier's decision to pursue the
22 proposed action. A carrier shall permit a provider to
23 review this evidence and documentation upon request;

24 (3) Notice that the provider has the right to request
25 a review or hearing before a panel appointed by the
26 carrier;

27 (4) A time limit of not less than 30 days from the
28 date the provider receives the notice within which a
29 provider may request a review or hearing; and

30 (5) A time limit for a hearing date that must be not
31 less than 30 days after the date of receipt of a
32 request for a hearing.

33 Termination or nonrenewal may not be effective earlier than
34 60 days from the receipt of the notice of termination or
35 nonrenewal.

36 B. A hearing panel must be composed of at least 3 persons
37 appointed by the carrier and one person on the hearing panel
38 must be a clinical peer in the same discipline and the same
39 or similar specialty of the provider under review. A
40 hearing panel may be composed of more than 3 persons if the
41 number of clinical peers on the hearing panel constitutes
42 1/3 or more of the total membership of the panel.

