## MAINE STATE LEGISLATURE

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## 119th MAINE LEGISLATURE

## FIRST REGULAR SESSION-1998

Legislative Document

No. 34

H.P. 24

House of Representatives, December 23, 1998

An Act to Protect the Choice of Hospital Care for HMO Enrollees.

Received by the Clerk of the House on December 21, 1998. Referred to the Committee on Banking and Insurance pursuant to Joint Rule 308.2 and ordered printed pursuant to Joint Rule 401.

OSEPH W. MAYO, Clerk

Presented by Representative MAYO of Bath. Cosponsored by Representative McALEVEY of Waterboro.

	Sec. 1. 24-A MRSA §4301, sub-§5, as enacted by PL 1995.
673,	Pt. C, §1 and affected by §2, is amended to read:
	5. Participating provider. "Participating provider" m
	icensedercertified provider ofhealthcareservi
	uding-mental-health-services,or-health-care-supplies
	entered into an agreement with a carrier to provide t
	th care services or supplies to an individual enrolled
mana	ged care plan.
	Sec. 2. 24-A MRSA §4301, sub-§7 is enacted to read:
	7. Provider. "Provider" means an individual or en
	nsed or certified to provide health care services, inclu
hosp	ital and mental health services or health care supplies.
	Sec. 3. 24-A MRSA §4307, as enacted by PL 1995. c. 673.
~ &	1 and affected by §2, is amended to read:
_	
<b>§4</b> 30	7. Construction
	Nothing in this chapter may be construed to:
	1. Purchase services with own funds. Prohibit
indi	vidual from purchasing any health care services with
	vidual's own funds, whether these services are covered wi
the	individual's benefit package or from another health
prov	ider or plan, except as otherwise provided by federal
stat	e law; <u>or</u>
	2. Additional benefits. Prohibit any plan sponsor
	iding additional coverage for benefits, rights or protect
not	set out in this chapter +- 0 + .
	3 Dec 13 - and totack to Decide a comice to comic
	3Provider-participationRequire-a-carrier-to-admit-
	ged-care-plan-a-provider-willing-to-abide-by-the-terms
eene	litions-of-the-managed-care-plan+

1. Reimbursement agreements. A carrier may enter into

agreements with providers relating to the terms and conditions of reimbursement for health care services that may be rendered to

enrollees in managed care plans, including agreements relating to the amounts to be charged the enrollee for services rendered.

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2.	Terms	and	condit	ions.	Bef	ore	enter	ing	into	any
agreemen	ts unde	r sub	section	1, a	carr	ier sh	all (	estab.	lish	terms
and cond										
into an	agreen	ment w	ith the	car	rier.	The	_carr	ier s	hall	make
availabl	-									
conditio										
agreemen										

3. No denial of right to enter into agreement. Any provider, including a hospital, willing to meet the terms and conditions of agreements established by carriers under subsection 2 may not be denied the right to enter into an agreement with a carrier. When a carrier denies a provider the right to enter into an agreement with the carrier on the grounds that the provider does not meet the terms and conditions established by the carrier under subsection 2, the carrier shall provide the provider with a written notice that explains the basis of the denial and states the specific terms and conditions that the provider, in the opinion of the carrier, does not satisfy.

## **SUMMARY**

This bill prohibits nonprofit hospital and medical service organizations, preferred provider organizations, health insurers and health maintenance organizations from denying a provider, including a hospital, the right to participate in a managed care plan if the provider is willing to meet the terms and conditions of the agreement established by the managed care plan.