

MAINE STATE LEGISLATURE

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R.S.

L.D. 426

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MAJORITY
BANKING AND INSURANCE

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
120TH LEGISLATURE
FIRST REGULAR SESSION

COMMITTEE AMENDMENT "A" to H.P. 336, L.D. 426, Bill, "An Act Concerning Managed Care Provider Agreements"

Amend the bill by striking out everything after the enacting clause and before the summary and inserting in its place the following:

Sec. 1. 24-A MRSA §4204, sub-§6, ¶C is enacted to read:

C. This subsection does not prohibit a participating provider from seeking reimbursement from a subscriber or enrollee for health care services rendered in good faith when the health maintenance organization has denied coverage because the subscriber or enrollee has failed to abide by a term of the enrollment agreement between the subscriber or enrollee and the health maintenance organization. Prior to seeking reimbursement under this paragraph, a participating provider shall notify the subscriber or enrollee in writing of the toll-free telephone number of the bureau's Consumer Health Care Division to assist the subscriber or enrollee in determining whether a health care service has properly been denied. A determination that the health maintenance organization is liable for coverage precludes the participating provider from seeking reimbursement. The failure of either a participating provider or health maintenance organization to properly process or issue a referral may not be considered the subscriber or enrollee's failure to abide by a term of the enrollment agreement.'

COMMITTEE AMENDMENT

Further amend the bill by inserting at the end before the summary the following:

'FISCAL NOTE

The Bureau of Insurance within the Department of Professional and Financial Regulation will incur some minor additional costs to respond to an increased number of calls to the Consumer Health Care Division's toll-free assistance hotline due to participating providers notifying subscribers or enrollees of its availability to assist in determining if the provider is properly exercising its rights. These costs can be absorbed within the bureau's existing budgeted resources.'

SUMMARY

This amendment is the majority report of the committee and replaces the bill. The amendment clarifies that the "hold harmless" provisions of managed care provider agreements do not prohibit participating providers from seeking reimbursement from an enrollee when the enrollee has not adhered to the terms of the health plan. The amendment requires that participating providers notify enrollees of the availability of the Bureau of Insurance's Consumer Health Care Division for assistance in determining whether a health maintenance organization has properly denied coverage before seeking reimbursement. It also precludes a provider from seeking reimbursement from a subscriber or enrollee if a determination is made that the health maintenance organization is liable for the coverage. The amendment also provides that the failure of a provider or health maintenance organization to process or issue a referral may not be considered the enrollee's failure to abide by the terms of the health plan.

The amendment removes the provisions in the bill relating to "most favored nation" and "all products" clauses in managed care provider agreements.

The amendment also adds a fiscal note to the bill.