

CHAPTER NO. 638

SENATE BILL NO. 333

By Clabough, Graves

Substituted for: House Bill No. 875

By Kisber, Sherry Jones

AN ACT To amend Tennessee Code Annotated, Title 56, to enact the "Access to Health Carriers' Payment Policies, Rules and Fee Schedules Act."

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 56, Chapter 7, Part 10, is amended by adding the following as a new section to be appropriately designated:

(a) For the purposes of this section, "Health Insurance Carrier" means any entity subject to the insurance laws and regulations of this state, or subject to the jurisdiction of the Commissioner of Commerce and Insurance, that contracts with healthcare providers in connection with a plan of health insurance, health benefits or health services.

(b) Health insurance carriers shall provide or make available to a healthcare provider, when contracting or renewing an existing contract with such provider, the payment or fee schedules or other information sufficient to enable the healthcare provider to determine the manner and amount of payments under the contract for the healthcare provider's services prior to final execution or renewal of the contract. The payment or fee schedule or other information submitted to a healthcare provider pursuant to this section shall include a description of processes and factors that may be applicable and that may affect actual payment (e.g., copayments, coinsurance, deductibles, risk sharing arrangements and liability of third parties). A health insurance carrier, upon request of a healthcare provider, shall make available to the healthcare provider examples of actual payment for procedures frequently performed by the provider that involve combinations of services or payment codes, if the actual payment for such procedures can not be ascertained from the fee schedule or other information submitted to a healthcare provider pursuant to this section. The provisions of this subsection requiring the submission of a fee schedule or other information upon renewal of an existing contract shall not be applicable to renewal of an existing contract when the payment or fee schedule previously provided to the healthcare provider has not changed.

(c) Any change to payment or fee schedules applicable to providers under contract with a health insurance carrier shall be made available to such providers at least thirty (30) days prior to the effective date of the amendment; provided, this subsection shall not apply to changes in standard codes and guidelines developed by the American Medical Association or a similar organization.

(d) A healthcare provider receiving information pursuant to subsection (b) shall not share such information with an unrelated person without the prior written consent of the health insurance carrier. The remedies available to a health insurance carrier to enforce the provision of this subsection shall include, without limitation, injunctive relief. A health insurance carrier seeking extraordinary relief

to enforce this subsection shall not be required to establish irreparable harm with regard to the sharing of competitively sensitive information.

SECTION 2. The provisions of this act shall not apply to non-profit dental service corporations established under Tennessee Code Annotated, Title 56, Chapter 30.

SECTION 3. This act shall apply to all contracts, or contract renewals, entered into on or after August 1, 2002.

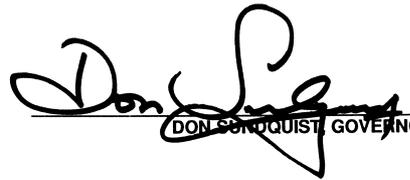
SECTION 4. This act shall take effect on August 1, 2002, the public welfare requiring it.

PASSED: April 17, 2002


JOHN S. WILDER
SPEAKER OF THE SENATE


JIMMY NAIFEH, SPEAKER
HOUSE OF REPRESENTATIVES

APPROVED this 24th day of April 2002


DON SUNDQUIST, GOVERNOR