

HOUSE CONSUMER & EMPLOYEE AFFAIRS AMENDMENT 1

Amendment No. 1 to HB0454

**McDonald
Signature of Sponsor**

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AMEND Senate Bill No. 445*

House Bill No. 454

by deleting all language after the enacting clause and substituting instead the following:

SECTION 1. Tennessee Code Annotated, Section 50-6-204(i)(7), is amended by deleting the subdivision in its entirety and substituting instead the following:

(i)

(7)

(A) The comprehensive medical fee schedule adopted pursuant to this subsection (i) is not intended to prohibit an employer, trust or pool, or insurer from negotiating lower fees in its own medical fee agreements.

(B) Beginning July 1, 2008, every contracting agent that sells, leases, assigns, transfers, or conveys its list of contracted healthcare providers and their contracted reimbursement rates to a workers' compensation payor or another workers' compensation contracting agent shall, upon entering or renewing a provider contract, do all of the following:

(i) Disclose to the provider whether the list of contracted providers may be sold, leased, transferred, or conveyed to other payors or other contracting agents, and specify whether those payors or contracting agents include workers' compensation insurers or self insureds and such disclosure of the ability to sell, lease, transfer or convey the list or network of providers shall be in a section of a contract titled "assignment" or "assignability" or similar title;

(ii) Disclose whether payors to which the list of contracted providers may be sold, leased, transferred, or conveyed may be permitted to pay a provider's contracted rate if less than the workers' compensation fee schedule and such disclosure of the ability to sell, lease, transfer or

convey the list or network of providers shall be in a section of a contract titled "assignment" or "assignability" or similar title;

(iii) Allow providers, upon the initial signing or renewal of a provider contract to decline to participate in networks solely to serve workers' compensation payors that are sold, leased, transferred, or conveyed to workers' compensation payors.

(C) As of July 1, 2008:

(i) The payor's explanation of benefits or explanation of review shall identify the name of the network that has a written agreement signed by the provider whereby the payor is entitled, directly or indirectly, to pay a preferred rate for the services rendered;

(ii) The contracting agent shall also maintain a website of a complete listing of all entities to whom the network is sold, leased, transferred or conveyed that is accessible to all contracted providers and updated at least twice a year and maintain a toll-free telephone number accessible to all contracted providers whereby providers may access payor summary information and a list of lessees of the network;

(iii) A payor shall demonstrate that it is entitled to pay a contracted rate within thirty (30) business days of receipt of a written request from a provider who has received a claim payment from the payor. The provider shall include in the request a statement explaining why the payment is not at the correct contracted rate for the services provided. The failure of the provider to include a statement shall relieve the payor from the responsibility of demonstrating that it is entitled to pay the disputed contracted rate. A payor shall be deemed to have demonstrated that it is entitled to pay a contracted rate if it identifies the contracting agent with whom the payor has a written agreement.

SECTION 2 This act shall take effect upon becoming a law, the public welfare requiring

it.