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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2019

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A N A C T

RELATING TO INSURANCE -- ACCIDENT AND SICKNESS INSURANCE POLICIES

Introduced By: Senator Adam J. Satchell

Date Introduced: March 14, 2019

Referred To: Senate Health & Human Services

It is enacted by the General Assembly as follows:

1           SECTION 1. Chapter 27-18 of the General Laws entitled "Accident and Sickness  
2 Insurance Policies" is hereby amended by adding thereto the following section:

3           **27-18-85. Contracts with health care providers.**

4           (a) It shall be the policy of this state that a participating provider agreement between a  
5 health insurance carrier and a health benefit plan subject to the jurisdiction of the commissioner  
6 pursuant to the provisions of this chapter and a professional group practice or health care facility  
7 shall be legally sufficient to bind all licensed health care providers employed by, or under  
8 contract to, that group practice or facility.

9           (b) If a health insurance carrier and a health benefit plan subject to the jurisdiction of the  
10 commissioner pursuant to the provisions of this chapter directly or indirectly contracts with a  
11 group practice or health care facility to provide health care to a health insurance carrier and health  
12 benefit plan's members, the health insurance carrier and health benefit plan shall be prohibited  
13 from requiring individual contracts between the health insurance carrier and health benefit plan  
14 and individual health care providers employed by, or under independent contract with, the group  
15 or facility for services covered by the group or facility agreement.

16           (c) Nothing in this section shall prohibit a health insurance carrier and a health benefit  
17 plan from entering into contracts with individual licensed health care providers when the health  
18 care services to be provided under the individual contracts are not covered by a different  
19 participating provider agreement.

1 SECTION 2. Chapter 27-19 of the General Laws entitled "Nonprofit Hospital Service  
2 Corporations" is hereby amended by adding thereto the following section:

3 **27-19-77. Contracts with health care providers.**

4 (a) It shall be the policy of this state that a participating provider agreement between a  
5 nonprofit hospital service corporation and a professional group practice or health care facility  
6 shall be legally sufficient to bind all licensed health care providers employed by, or under  
7 contract to, that group practice or facility.

8 (b) If a nonprofit hospital service corporations directly or indirectly contracts with a  
9 group practice or health care facility to provide health care to the nonprofit hospital service  
10 corporation's members, the nonprofit hospital service corporation shall be prohibited from  
11 requiring individual contracts between the nonprofit hospital service corporation and individual  
12 health care providers employed by, or under independent contract with, the group or facility for  
13 services covered by the group or facility agreement.

14 (c) Nothing in this section shall prohibit a nonprofit hospital service corporation from  
15 entering into contracts with individual licensed health care providers when the health care  
16 services to be provided under the individual contracts are not covered by a different participating  
17 provider agreement

18 SECTION 3. Chapter 27-20 of the General Laws entitled "Nonprofit Medical Service  
19 Corporations" is hereby amended by adding thereto the following section:

20 **27-20-73. Contracts with health care providers.**

21 (a) It shall be the policy of this state that a participating provider agreement between a  
22 nonprofit medical service corporation and a professional group practice or health care facility  
23 shall be legally sufficient to bind all licensed health care providers employed by, or under  
24 contract to, that group practice or facility.

25 (b) If a nonprofit medical service corporation directly or indirectly contracts with a group  
26 practice or health care facility to provide health care to the nonprofit medical service  
27 corporation's members, the nonprofit medical service corporation shall be prohibited from  
28 requiring individual contracts between the nonprofit medical service corporation and individual  
29 health care providers employed by, or under independent contract with, the group or facility for  
30 services covered by the group or facility agreement.

31 (c) Nothing in this section shall prohibit a nonprofit medical service corporation from  
32 entering into contracts with individual licensed health care providers when the health care  
33 services to be provided under the individual contracts are not covered by a different participating  
34 provider agreement.

1           SECTION 4. Chapter 27-41 of the General Laws entitled "Health Maintenance  
2 Organizations" is hereby amended by adding thereto the following section:

3           **27-41-90. Contracts with health care providers.**

4           (a) It shall be the policy of this state that a participating provider agreement between a  
5 health maintenance organization (HMO) and a professional group practice or health care facility  
6 shall be legally sufficient to bind all licensed health care providers employed by, or under  
7 contract to, that group practice or facility.

8           (b) If a health maintenance organization directly or indirectly contracts with a group  
9 practice or health care facility to provide health care to the health maintenance organization's  
10 members, the health maintenance organization shall be prohibited from requiring individual  
11 contracts between the HMO and individual health care providers employed by, or under  
12 independent contract with, the group or facility for services covered by the group or facility  
13 agreement.

14           (c) Nothing in this section shall prohibit a health maintenance organization from entering  
15 into contracts with individual licensed health care providers when the health care services to be  
16 provided under the individual contracts are not covered by a different participating provider  
17 agreement. Compliance with this section shall not constitute a violation of § 27-41-2(t)(3)(i)(B).

18           SECTION 5. This act shall take effect upon passage.

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EXPLANATION  
BY THE LEGISLATIVE COUNCIL  
OF  
A N A C T  
RELATING TO INSURANCE -- ACCIDENT AND SICKNESS INSURANCE POLICIES

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1           This act would render participating provider contracts between health insurance carriers  
2 and health plans with health care providers covered by carrier, group or facility agreements as  
3 legally sufficient to bind all the licensed health care providers and prohibit the need for individual  
4 contracts.

5           This act would take effect upon passage.

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