

FIRST REGULAR SESSION
SENATE COMMITTEE SUBSTITUTE FOR

SENATE BILL NO. 377

91ST GENERAL ASSEMBLY

Reported from the Committee on Public Health and Welfare, March 14, 2001, with recommendation that the Senate Committee Substitute do pass and be placed on the Consent Calendar.

TERRY L. SPIELER, Secretary.

1567L.04C

AN ACT

To amend chapter 354, RSMo, by adding thereto one new section relating to physician contracts with managed care organizations.

Be it enacted by the General Assembly of the State of Missouri, as follows:

Section A. Chapter 354, RSMo, is amended by adding thereto one new section, to be known as section 354.740, to read as follows:

354.740. 1. The department of health shall make and submit to the general assembly on or before January thirty-first in each odd-numbered year a report detailing the type of provisions contained in participating provider contracts entered into between managed care organizations and physicians. Notwithstanding any other provision of law to the contrary, such report shall specifically contain information on any contractual provisions regarding restrictions on patient care, or financial incentives or other restrictions directly related to the availability of or preference for particular medical treatment options.

2. For purposes of this section, "managed care organizations" means organizations such as preferred provider organizations, point-of-service organizations, health maintenance organizations and any other organizations with direct provider arrangements designed to provide incentives to medical care providers to manage the cost and use of medical care benefits provided by health insurance plans and policies.

3. The department may promulgate rules necessary to implement the provisions of this section, including rules related to the collection of participating provider contract information from managed care organizations. No rule or portion of a rule promulgated pursuant to the authority of this section shall become effective unless it

has been promulgated pursuant to chapter 536, RSMo.

4. Any managed care organization that does not fully comply with the department of health rules promulgated pursuant to this section shall be referred to the attorney general for sanctions as provided by law.

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