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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-EIGHTH SESSION

H. F. No. 3354

04/23/2014 Authored by Mack, Lesch and Albright

The bill was read for the first time and referred to the Committee on Commerce and Consumer Protection Finance and Policy

1.1 A bill for an act
1.2 relating to health care; modifying health plan contracting requirements;
1.3 amending Minnesota Statutes 2012, sections 62Q.733, subdivision 3; 62Q.735,
1.4 subdivisions 2, 5.

1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.6 Section 1. Minnesota Statutes 2012, section 62Q.733, subdivision 3, is amended to read:

1.7 Subd. 3. **Health care provider or provider.** "Health care provider" or "provider"
1.8 means a physician, chiropractor, dentist, podiatrist, clinic, or other provider as defined
1.9 under section 62J.03, other than hospitals, ambulatory surgical centers, or freestanding
1.10 emergency rooms.

1.11 **EFFECTIVE DATE.** This section is effective July 1, 2014, and applies to contracts
1.12 entered into, renewed, or amended on or after that date.

1.13 Sec. 2. Minnesota Statutes 2012, section 62Q.735, subdivision 2, is amended to read:

1.14 Subd. 2. **Proposed amendments.** (a) Any amendment or change in the terms of an
1.15 existing contract between a health plan company and a provider must be disclosed to the
1.16 provider at least ~~45~~ 165 days prior to the effective date of the proposed change, with the
1.17 exception of amendments required of the health plan company by law or governmental
1.18 regulatory authority, when notice shall be given to the provider when the requirement is
1.19 made known to the health plan company.

1.20 (b) Any amendment or change in the contract that alters the fee schedule or
1.21 materially alters the written contractual policies and procedures governing the relationship
1.22 between the provider and the health plan company must be disclosed to the provider not
1.23 less than ~~45~~ 165 days before the effective date of the proposed change and the provider

2.1 must have the opportunity to terminate the contract before the amendment or change
2.2 is deemed to be in effect.

2.3 (c) By mutual consent, evidenced in writing in amendments separate from the
2.4 base contract and not contingent on participation, the parties may waive the disclosure
2.5 requirements under paragraphs (a) and (b).

2.6 (d) Notwithstanding paragraphs (a) and (b), the effective date of contract termination
2.7 shall comply with the terms of the contract when a provider terminates a contract.

2.8 **EFFECTIVE DATE.** This section is effective July 1, 2014, and applies to contracts
2.9 entered into, renewed, or amended on or after that date.

2.10 Sec. 3. Minnesota Statutes 2012, section 62Q.735, subdivision 5, is amended to read:

2.11 Subd. 5. **Fee schedules.** (a) A health plan company shall provide, ~~upon request~~ no
2.12 later than 165 days before the next contract year's effective date, any additional fees or
2.13 fee schedules relevant to the particular provider's practice beyond those provided with
2.14 the renewal documents for the next contract year to all participating providers, excluding
2.15 claims paid under the pharmacy benefit. Health plan companies may fulfill the requirements
2.16 of this section by making the full fee schedules available no later than 165 days before the
2.17 next contract year's effective date through a secure Web portal for contracted providers.

2.18 (b) A dental organization may satisfy paragraph (a) by complying with section
2.19 62Q.735, subdivision 1, paragraph (c).

2.20 **EFFECTIVE DATE.** This section is effective July 1, 2014, and applies to contracts
2.21 entered into, renewed, or amended on or after that date.