A bill for an act

relating to health; regulating participating provider agreements between health plan companies and health care providers; amending Minnesota Statutes 2008, sections 62Q.735, by adding subdivisions; 62Q.75, subdivision 3, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 62Q.

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

Section 1. Minnesota Statutes 2008, section 62Q.735, is amended by adding a subdivision to read:

Subd. 4. **Contract amendment and renewal provisions.** (a) A health plan company shall not require a provider to provide notice of termination of its contract before meeting with the provider regarding contract amendments or renewals.

(b) A health plan company shall not preclude a nonnetwork provider from subsequent network participation as a result of the provider having terminated its participation in accordance with the terms of its contract.

EFFECTIVE DATE. This section is effective August 1, 2010, and applies to contracts entered into, renewed, or amended on or after that date.

Sec. 2. Minnesota Statutes 2008, section 62Q.735, is amended by adding a subdivision to read:

Subd. 5. **Fee schedules.** A health plan company shall provide a full fee schedule for the next contract year to all participating providers not less than 165 days before the contract year's effective date.

EFFECTIVE DATE. This section is effective August 1, 2010, and applies to contracts entered into, renewed, or amended on or after that date.

Sec. 3. Minnesota Statutes 2008, section 62Q.735, is amended by adding a subdivision to read:

Subd. 6. **Reimbursement tiering methodologies.** Where health plan company reimbursement is related to tiering of providers, the health plan company shall provide all providers with prior communications explaining in detail the methodology used to calculate tier ranking; including, but not limited to, cost and quality measurements and constructive feedback processes.

EFFECTIVE DATE. This section is effective August 1, 2010, and applies to contracts entered into, renewed, or amended on or after that date.

Sec. 4. Minnesota Statutes 2008, section 62Q.75, subdivision 3, is amended to read:

Subd. 3. **Claims filing.** Unless otherwise provided by contract~~,~~ for a longer period; by section 16A.124, subdivision 4a~~,~~; or by federal law, the health care providers and facilities specified in subdivision 2 must submit their charges to a health plan company or third-party administrator within six months from the date of service or the date the health care provider knew or was informed of the correct name and address of the responsible health plan company or third-party administrator, whichever is later. A health care provider or facility that does not make an initial submission of charges within the six-month period shall not be reimbursed for the charge and may not collect the charge from the recipient of the service or any other payer. The six-month submission requirement may be extended to 12 months in cases where a health care provider or facility specified in subdivision 2 has determined and can substantiate that it has experienced a significant disruption to normal operations that materially affects the ability to conduct business in a normal manner and to submit claims on a timely basis. This subdivision also applies to all health care providers and facilities that submit charges to workers' compensation payers for treatment of a workers' compensation injury compensable under chapter 176, or to reparation obligors for treatment of an injury compensable under chapter 65B.

EFFECTIVE DATE. This section is effective August 1, 2010, and applies to contracts entered into, renewed, or amended on or after that date.

Sec. 5. Minnesota Statutes 2008, section 62Q.75, is amended by adding a subdivision to read:

Subd. 4. **Claims adjustment; by mutual agreement only; deadline on adjustments.** (a) A health plan company may implement a claims adjustment, elimination of a pending claim, settlement, and payment recoupment only with the mutual agreement

of the health plan company and the provider. No contract or other agreement between a health plan company and a provider shall include any provision waiving or avoiding this mutual agreement requirement.

(b) Once a clean claim, as defined in section 62Q.75, subdivision 1, has been paid, the contract must provide a six-month deadline on all adjustments to and recoupments of the payment.

EFFECTIVE DATE. This section is effective August 1, 2010, and applies to contracts entered into, renewed, or amended on or after that date.

Sec. 6. **[62Q.751] COLLECTION OF CO-PAYMENTS, DEDUCTIBLES, AND ESTIMATED PAYMENTS FROM PATIENTS.**

A health plan company shall permit providers to collect co-payments, deductibles, and estimated payments from patients at or prior to the time of service.

EFFECTIVE DATE. This section is effective August 1, 2010, and applies to contracts entered into, renewed, or amended on or after that date.