SENATE
STATE OF MINNESOTA
NINETIETH SESSION

S.F. No. 2402

(SENATE AUTHORS: ABELER, Hayden, Housley and Champion)

DATE	D-PG	OFFICIAL STATUS
05/18/2017	5392	Introduction and first reading Referred to Commerce and Consumer Protection Finance and Policy

A bill for an act

relating to health care; modifying health plan contracting requirements; amending Minnesota Statutes 2016, sections 62Q.733, subdivision 3; 62Q.735, subdivisions 2, 5.

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

Section 1. Minnesota Statutes 2016, section 62Q.733, subdivision 3, is amended to read:

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

EFFECTIVE DATE. This section is effective July 1, 2017, and applies to contracts entered into, renewed, or amended on or after that date.

Sec. 2. Minnesota Statutes 2016, section 62Q.735, subdivision 2, is amended to read:

Subd. 2. **Proposed amendments.** (a) Any amendment or change in the terms of an existing contract between a health plan company and a provider must be disclosed to the provider at least 45 days prior to the effective date of the proposed change, with the exception of amendments required of the health plan company by law or governmental regulatory authority, when notice shall be given to the provider when the requirement is made known to the health plan company. If a health plan company fails to provide an amendment or change in terms at least 45 days prior to the effective date of the proposed change, as required by this paragraph, the proposed amendment or change in terms shall not be effective until the next contract year.

(b) Any amendment or change in the contract that alters the fee schedule or materially alters the written contractual policies and procedures governing the relationship between the provider and the health plan company must be disclosed to the provider not less than 45 days before the effective date of the proposed change and the provider must have the opportunity to terminate the contract before the amendment or change is deemed to be in effect. If a health plan company fails to provide an amendment or change in the contract that alters the fee schedule or materially alters the written contractual policies and procedures, at least 45 days prior to the effective date of the proposed change, as required by this paragraph, the proposed change in terms shall not be effective until the next contract year.

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

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

EFFECTIVE DATE. This section is effective July 1, 2017, and applies to contracts entered into, renewed, or amended on or after that date.

Sec. 3. Minnesota Statutes 2016, section 62Q.735, subdivision 5, is amended to read:

Subd. 5. **Fee schedules.** (a) A health plan company shall provide, ~~upon request~~ no later than 45 days before the next contract year's effective date, any additional fees or fee schedules relevant to the particular provider's practice beyond those provided with the renewal documents for the next contract year to all participating providers, excluding claims paid under the pharmacy benefit. Health plan companies may fulfill the requirements of this section by making the full fee schedules available no later than 45 days before the next contract year's effective date through a secure Web portal for contracted providers. If a health plan company fails to provide any additional fees or fee schedules at least 45 days before the next contract year's effective date, as required by this paragraph, the fees on the existing fee schedules are effective for the next contract year, as increased by the most recently published rates in the Consumer Price Index for All Urban Consumers for Medical Care Services for the Minneapolis region.

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

EFFECTIVE DATE. This section is effective July 1, 2017, and applies to contracts entered into, renewed, or amended on or after that date.