

The Commonwealth of Massachusetts

PRESENTED BY:

David M. Nangle

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the passage of the accompanying bill:

An Act to set standards for AGO review of provider practices.

PETITION OF:

David M. Nangle

DISTRICT/ADDRESS: 17th Middlesex

By Mr. Nangle of Lowell, a petition (accompanied by bill, House, No. 1044) of David M. Nangle for legislation to set standards for review by the Attorney General of health care provider practices. Health Care Financing.

The Commonwealth of Massachusetts

In the Year Two Thousand Thirteen

An Act to set standards for AGO review of provider practices.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

SECTION 1. Section 13 of Chapter 6D is hereby amended by striking subsection (e) in
 its entirety and replacing it with the following new language:-

(e) The commission shall make factual findings and issue a preliminary report on the cost
and market impact review. In the report, the commission shall identify any provider or provider
organization that meets the following criteria: (i) the provider or provider organization has a
dominant market share for the services it provides; and (ii) the provider or provider organization
charges prices for services that are materially higher than the median prices charged by all other
providers for the same services in the same market, or the provider or provider organization has a
health status adjusted total medical expense that is materially higher than the median total
medical expense for all other providers for the same service in the same market.

SECTION 2. Chapter 12 of the General Laws is hereby amended by inserting after
 Section 11N the following new Section:-

Section 11O. Definition of Unfair methods of competition and unfair or deceptive acts orpractices.

The following shall be unfair methods of competition and unfair or deceptive acts or practices for providers or provider organizations: Entering into any agreement to commit or by any concerted action committing any act of boycott, coercion, or intimidation resulting in or tending to result in unreasonable restraint of or monopoly in the delivery of health care services, contracting for payment for health care services, or the business of insurance; (i) seeking to set the price to be paid by any carrier for network contracts at rates that are excessive, unreasonable,

- 21 discriminatory, predatory, or would otherwise cause the carrier to violate the requirements of its
- 22 licensure or accreditation; (ii) engaging in any unfair discrimination between individuals who are
- 23 similarly covered by network contracts; and (iii) making, publishing, disseminating, circulating,
- 24 or placing before the public, directly or indirectly, any assertion, representation or statement
- 25 which is untrue, deceptive or misleading.