

SENATE
STATE OF MINNESOTA
NINETY-THIRD SESSION

S.F. No. 2518

(SENATE AUTHORS: XIONG)

DATE
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Introduction and first reading
Referred to Health and Human Services

OFFICIAL STATUS

1.1 A bill for an act
1.2 relating to health care; requiring health plan companies to establish an appeal
1.3 process for providers to access if the provider's contract is terminated for cause;
1.4 prohibiting a health plan company from terminating a provider's contract without
1.5 cause; amending Minnesota Statutes 2022, sections 62Q.56, subdivision 1a;
1.6 62Q.733, subdivision 1; proposing coding for new law in Minnesota Statutes,
1.7 chapter 62Q.

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

1.9 Section 1. Minnesota Statutes 2022, section 62Q.56, subdivision 1a, is amended to read:

1.10 Subd. 1a. **Change in health care provider; nonrenewal termination ~~not for cause~~.** (a)
1.11 If the contract termination was ~~not for cause and~~ a nonrenewal or the contract was terminated
1.12 by the health plan company, the health plan company must provide the terminated provider
1.13 and all enrollees being treated by that provider with notification of the enrollees' rights to
1.14 continuity of care with the terminated provider.

1.15 (b) The health plan company must provide, upon request, authorization to receive services
1.16 that are otherwise covered under the terms of the health plan through the enrollee's current
1.17 provider:

1.18 (1) for up to 120 days if the enrollee is engaged in a current course of treatment for one
1.19 or more of the following conditions:

1.20 (i) an acute condition;

1.21 (ii) a life-threatening mental or physical illness;

1.22 (iii) pregnancy beyond the first trimester of pregnancy;

2.1 (iv) a physical or mental disability defined as an inability to engage in one or more major
 2.2 life activities, provided that the disability has lasted or can be expected to last for at least
 2.3 one year, or can be expected to result in death; or

2.4 (v) a disabling or chronic condition that is in an acute phase; or

2.5 (2) for the rest of the enrollee's life if a physician, advanced practice registered nurse,
 2.6 or physician assistant certifies that the enrollee has an expected lifetime of 180 days or less.

2.7 For all requests for authorization to receive services under this paragraph, the health plan
 2.8 company must grant the request unless the enrollee does not meet the criteria provided in
 2.9 this paragraph.

2.10 (c) The health plan company shall prepare a written plan that provides a process for
 2.11 coverage determinations regarding continuity of care of up to 120 days for enrollees who
 2.12 request continuity of care with their former provider, if the enrollee:

2.13 (1) is receiving culturally appropriate services and the health plan company does not
 2.14 have a provider in its preferred provider network with special expertise in the delivery of
 2.15 those culturally appropriate services within the time and distance requirements of section
 2.16 62D.124, subdivision 1; or

2.17 (2) does not speak English and the health plan company does not have a provider in its
 2.18 preferred provider network who can communicate with the enrollee, either directly or through
 2.19 an interpreter, within the time and distance requirements of section 62D.124, subdivision
 2.20 1.

2.21 The written plan must explain the criteria that will be used to determine whether a need for
 2.22 continuity of care exists and how it will be provided.

2.23 Sec. 2. Minnesota Statutes 2022, section 62Q.733, subdivision 1, is amended to read:

2.24 Subdivision 1. **Applicability.** For purposes of sections 62Q.732 to ~~62Q.739~~ 62Q.7391,
 2.25 the following definitions apply.

2.26 Sec. 3. **[62Q.7391] HEALTH CARE PROVIDER CONTRACT TERMINATION.**

2.27 Subdivision 1. **Termination for cause.** (a) A contract between a health care provider
 2.28 and a health plan company may be terminated by the health plan company for cause only
 2.29 if the contract includes an appeal process for the provider to appeal the termination. The
 2.30 health plan company must provide the provider with written notice of termination that
 2.31 includes:

- 3.1 (1) the reasons for termination;
- 3.2 (2) the date upon which the termination is effective; and
- 3.3 (3) a statement that the provider has the right to appeal the termination decision and a
3.4 description of the appeal process available to the provider to request an appeal.
- 3.5 (b) The process must allow the provider the opportunity to request an appeal and present
3.6 any relevant documents and arguments against termination.
- 3.7 (c) A health plan company may unilaterally terminate a contract with a health care
3.8 provider, without appeal rights, for certain causes including but not limited to:
- 3.9 (1) a credible allegation of or proven fraud, waste, or abuse;
- 3.10 (2) loss of licensure to practice or loss of liability insurance;
- 3.11 (3) concerns for the health or safety of a patient, including:
- 3.12 (i) a credible allegation or proven act of abuse, neglect, or endangerment of a patient;
- 3.13 (ii) a credible allegation or proven act of sexual abuse;
- 3.14 (iii) a credible allegation or proven act of discrimination under the nondiscrimination
3.15 provision in section 1557 of the Affordable Care Act and the Minnesota Human Rights Act
3.16 under chapter 363A;
- 3.17 (iv) improper or overprescribing prescription medication; or
- 3.18 (v) other health or safety concerns;
- 3.19 (4) the provider ceases to provide care;
- 3.20 (5) the provider's suspension or exclusion from participation in federal or state health
3.21 care programs, including appearance on the CMS Preclusion List;
- 3.22 (6) the provider fails to comply with any term of licensure status, credentialing, and
3.23 compliance standards;
- 3.24 (7) the provider fails to comply with any federal or state law;
- 3.25 (8) the provider becomes insolvent, is adjudicated as bankrupt, has a receiver appointed,
3.26 or makes a general assignment for the benefit of creditors; or
- 3.27 (9) the provider does not disclose any change in the participant's name, tax ID, merger,
3.28 acquisition, affiliation, or change in 50 percent or more of ownership interests in a timely
3.29 manner.

- 4.1 Subd. 2. **Termination not for cause.** A health plan company is prohibited from
- 4.2 terminating a contract with a health care provider without cause.