

SENATE BILL 568

By Overbey

AN ACT to amend Tennessee Code Annotated, Title 4;
Title 68 and Title 71, relative to vendor
requirements.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 71-5-1412, is amended by deleting subsection (c) and substituting the following:

Subsections (a) and (b) shall expire on June 30, 2017.

SECTION 2. Tennessee Code Annotated, Section 71-5-1412, is further amended by adding the following new subsections:

(d) Any requirement imposed on a vendor in order to provide services under § 71-5-118 shall be enacted by the general assembly.

(e) Any rule, as defined under § 4-5-102(12), imposed on a vendor in order to provide services under § 71-5-118 shall be promulgated by the bureau of TennCare pursuant to the Uniform Administrative Procedures Act, compiled in title 4, chapter 5, prior to the formation of the contract.

(f) The bureau of TennCare may not impose any requirements that affect a provider vendor's participation in TennCare, or that affect the provider vendor's private rights, privileges, or due process, through either a contractual provision between the state and a managed care organization under contract with the bureau, hereinafter referred to as a TennCare MCO, or a contractual provision between a TennCare MCO and a nursing facility provider. The bureau may impose these requirements only if the requirements are set forth at the time of the making of the contract within one (1) or more of the following:

(1) Federal statute, federal rules, or formal guidance by applicable federal agencies;

(2) State statutes; or

(3) State rules promulgated under the Uniform Administrative Procedures Act, compiled in title 4, chapter 5, by the applicable state agency.

(g) A TennCare MCO may not impose any requirements that affect a provider vendor's participation in TennCare, or that affect that vendor's private rights, privileges, or due process, through any contractual provision between the state and a TennCare MCO or a contractual provision between a TennCare MCO and a nursing facility provider. The bureau may impose these requirements only if the requirements are set forth at the time of the making of the contract within one (1) or more of the following:

(1) Federal statute, federal rules, or formal guidance by applicable federal agencies;

(2) State statutes; or

(3) State rules promulgated under the Uniform Administrative Procedures Act, compiled in title 4, chapter 5, by the applicable state agency.

SECTION 3. This act shall take effect upon becoming a law, the public welfare requiring it.