

SENATE BILL 1680

By Ketron

AN ACT to amend Tennessee Code Annotated, Section 50-6-204, relative to the comprehensive medical fee schedule.

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

SECTION 1. Tennessee Code Annotated, Section 50-6-204, is amended by adding the following at the end of subdivision (l)(4):

(E) Provided, however, that any lower fees paid for medical services furnished on or after January 1, 2010 must be made pursuant to a contract or agreement negotiated and signed directly between the health care provider and the employer, trust, pool, insurer or preferred provider organization (PPO) network. Under no conditions shall negotiated rates for workers' compensation services be assigned to or accessible to any other party than the employer, trust, pool, insurer or PPO network which signed the contract or agreement. In those instances where an employer has contracted with a PPO network to manage its workers' compensation program, under no condition shall rates negotiated with the PPO network for workers' compensation services be assigned to, or accessible by, any other PPO network than that PPO network with whom the contract or agreement was negotiated with the health care provider. A company marketing itself as a workers' compensation PPO must be able to produce a signed workers' compensation product contract on demand between the named PPO entity and the provider. In the absence of such existing contract or agreement, payment will be the maximum reimbursement rates established by rule in the comprehensive medical fee schedule. By no means should fees paid to a health care provider through a contract or agreement negotiated on a commercial health insurance product line be applied to

payment to health care providers for workers' compensation services unless the contract or agreement clearly and expressly stipulates that fees payable under commercial health insurance rates will apply to workers' compensation services.

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring it.