

SENATE BILL 1766

By Ketron

AN ACT to amend Tennessee Code Annotated, Title 50,
Chapter 6, Part 2, relative to access to contractual
health care services or rate discounts.

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

SECTION 1. Tennessee Code Annotated, Title 50, Chapter 6, Part 2, is amended by
adding the following language as a new, appropriately designated section:

50-6-2__.

(a) For the purposes of this section,

(1) "Contracting agent" means any person that is in direct privity of
contract with a medical provider to reimburse the medical provider for medical
services provided to an injured worker pursuant to this chapter at rates other than
those provided under the workers' compensation medical fee schedule;

(2) "Department" means the department of commerce and insurance;

and

(3) "Provider network contract" means a direct contract between a
contracting agent and a provider for the delivery of health care services
specifying the rights and responsibilities of the contracting agent and the provider
in relation to access and payment for health care services to covered individuals.

(b)

(1) Any individual or entity that commences business as a contracting
agent shall register with the department within thirty (30) days of commencing
business in this state unless such individual or entity is licensed by the
department as an insurer or worker's compensation payor. Any contracting
agent or workers' compensation payor not licensed by the department as an

insurer or workers' compensation payor shall register with the department within ninety (90) days of the effective date of this act. If a contracting agent or workers' compensation payor fails to register with the department in compliance with this section, then the commissioner may assess penalties as set forth in § 56-2-305(a)(1) or (a)(2).

(2) Registration shall consist of the submission of the following information:

(A) The official name of the contracting agent or workers' compensation payor, including any d/b/a designations used in this state;

(B) The mailing address and official telephone number for the contracting agent's or workers' compensation payor's principal headquarters;

(C) The name and telephone number of the contracting agent's or workers' compensation payor's representative who shall serve as the primary contact with the department; and

(D) Any other information as requested by the department.

(3) The information required by subdivision (b)(2) shall be submitted in written or electronic format, as prescribed by the department.

(4) The department may impose a registration fee to defray the cost of administering this section.

(c)

(1) It is an unfair insurance practice for the purposes of the Tennessee Unfair Trade Practices and Unfair Claims Settlement Act of 2009, compiled in title 56, chapter 8, part 1, to knowingly access a provider's services or exercise a provider's contractual discounts pursuant to a provider network contract if such

access or exercise is not pursuant to a contractual relationship with the provider or with a contracting agent or workers' compensation payor.

(2)

(A) To effectuate the purposes of this subsection (c), the department shall develop a complaint form for providers or others to submit alleging violations of this subsection (c).

(B) Information provided in good faith to the department shall not make the provider or other individual or entity providing the information liable for civil damages as a result of providing such information.

(d) The department shall enforce this section. The department is authorized to promulgate rules to effectuate this section in accordance with the Uniform Administrative Procedures Act, compiled in title 4, chapter 5. The initial rules promulgated by the department may be designated as emergency rules if the department finds that it cannot implement such rules by the promulgation of permanent rules and if the department complies with § 4-5-208.

SECTION 2. This act shall take effect on January 1, 2012, the public welfare requiring it.