

SENATE MOTION

MR. PRESIDENT:

I move that Senate Bill 364 be amended to read as follows:

- 1 Page 1, between the enacting clause and line 1, begin a new
2 paragraph and insert:
3 "SECTION 1. IC 27-13-8-1.5 IS ADDED TO THE INDIANA
4 CODE AS A NEW SECTION TO READ AS FOLLOWS
5 [EFFECTIVE JULY 1, 1998]: **Sec. 1.5. (a) The report required by**
6 **section 1 of this chapter must include specific data for each health**
7 **maintenance organization, including the following:**
8 **(1) Gross outpatient and hospital utilization data.**
9 **(2) Enrollee clinical outcome data.**
10 **(3) The number, amount, and disposition of malpractice**
11 **claims resolved during the year by:**
12 **(A) the health maintenance organization; and**
13 **(B) any participating provider of the health maintenance**
14 **organization.**
15 **(b) The information required under subsection (a) shall be**
16 **made available to the public on a timely basis.**
17 SECTION 2. IC 27-13-8-3 IS ADDED TO THE INDIANA CODE
18 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
19 1, 1998]: **Sec. 3. Each health maintenance organization shall**
20 **provide information on the health maintenance organization's:**
21 **(1) structure;**
22 **(2) decision making process;**
23 **(3) health care benefits and exclusions;**
24 **(4) cost and cost sharing requirements;**
25 **(5) list of participating providers; and**
26 **(6) grievance and appeals procedures;**
27 **to all potential enrollees, to all enrollees covered by the health**
28 **maintenance organization, and to the department of insurance.**
29 SECTION 3. IC 27-13-8-4 IS ADDED TO THE INDIANA CODE
30 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
31 1, 1998]: **Sec. 4. The commissioner may require additional reports**
32 **as are necessary and appropriate for the commissioner to carry out**
33 **the commissioner's duties under this article and under IC 27-14.**

1 SECTION 4. IC 27-13-34-12, AS AMENDED BY P.L.191-1997,
 2 SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 3 JULY 1, 1998]: Sec. 12. A limited service health maintenance
 4 organization operated under this chapter is subject to the following:

5 **(1) IC 27-13-8, except for IC 27-13-8-1.5(a)(1) and**
 6 **IC 27-13-8-1.5(a)(2) concerning reports.**

7 ~~(1)~~ **(2) IC 27-13-10-1 through IC 27-13-10-3 concerning**
 8 **grievance procedures.**

9 ~~(2)~~ **(3) IC 27-13-11 concerning investments.**

10 **(4) IC 27-13-15 concerning hold harmless clauses in**
 11 **contracts.**

12 ~~(3)~~ **(5) IC 27-13-21 concerning producers.**

13 ~~(4)~~ **(6) IC 27-13-29 concerning statutory construction and**
 14 **relationship to other laws.**

15 ~~(5)~~ **(7) IC 27-13-30 concerning public records.**

16 ~~(6)~~ **(8) IC 27-13-31 concerning confidentiality of medical**
 17 **information and limitation of liability.**

18 **(9) IC 27-14-3-5 and IC 27-14-3-6 concerning referrals to**
 19 **out-of-network providers and continuation of care.**

20 **(10) IC 27-14-7 concerning descriptions of services provided**
 21 **by a limited service health maintenance organization."**

22 Page 3, delete lines 14 through 15.

23 Page 3, line 16, delete "17" and insert "**16**".

24 Page 3, line 24, delete "18" and insert "**17**".

25 Page 3, line 31, delete "19" and insert "**18**".

26 Page 3, line 41, delete "20" and insert "**19**".

27 Page 4, line 7, delete "21" and insert "**20**".

28 Page 4, line 8, delete "22" and insert "**21**".

29 Page 4, line 10, delete "23" and insert "**22**".

30 Page 4, line 14, delete "24" and insert "**23**".

31 Page 4, line 15, delete "25" and insert "**24**".

32 Page 4, line 17, delete "26" and insert "**25**".

33 Page 4, line 39, delete "specialists" and insert "**other appropriate**
 34 **providers**".

35 Page 4, line 42, delete "specialists" and insert "**other appropriate**
 36 **providers**".

37 Page 5, line 3, after "3." insert "**(a)**".

38 Page 5, line 5, delete "the following" and insert "**an adequate**
 39 **number of**".

40 Page 5, delete lines 6 through 16, begin a new line block indented
 41 and insert:

42 **"(1) acute care hospital services;**

43 **(2) primary care providers; and**

44 **(3) other appropriate providers;**

45 **that are located within a reasonable proximity of enrollees of the**
 46 **managed care plan.**

47 **(b) If a managed care entity offers a managed care plan that**

- 1 provides coverage for:
- 2 (1) specialty medical services, including physical therapy,
- 3 occupational therapy, and rehabilitation services;
- 4 (2) mental and behavioral care services; or
- 5 (3) pharmacy services;
- 6 the managed care entity shall demonstrate to the department that
- 7 the offered services are located within a reasonable proximity of
- 8 enrollees of the managed care plan."
- 9 Page 5, line 26, delete "medical specialist needed" and insert
- 10 "health care service needed by an enrollee".
- 11 Page 5, line 27, delete "represented in" and insert "available
- 12 from".
- 13 Page 5, line 29, delete "does not participate in the" and insert "is
- 14 not a participating provider for treatment."
- 15 Page 5, delete lines 30 through 31.
- 16 Page 5, line 32, delete "A managed care plan shall pay a medical
- 17 specialist who" and insert "When an enrollee receives health care
- 18 services from a provider to which the enrollee was referred".
- 19 Page 5, line 33, delete "provides health care services".
- 20 Page 5, line 33, after "(a)" insert ", the managed care entity shall
- 21 indemnify the enrollee for the lesser of the following:".
- 22 Page 5, line 33, delete "the", begin a new line block indented and
- 23 insert:
- 24 "(1) The".
- 25 Page 5, between lines 36 and 37, begin a new line block indented
- 26 and insert:
- 27 "(2) The payment that the provider agrees to accept for the
- 28 health care services provided by the provider for the
- 29 treatment.
- 30 The amount in subdivision (1) or (2) must be reduced by the
- 31 deductibles and copayments, if any, that the enrollee would be
- 32 responsible to pay if the health care services had been provided by
- 33 a participating provider."
- 34 Page 5, line 37, delete "plan" and insert "entity".
- 35 Page 5, line 38, after "to" delete "a" and insert "the".
- 36 Page 5, line 40, after "(a)" insert ", but may provide for
- 37 reasonable sharing between the primary care provider and the
- 38 managed care entity for the additional costs incurred as a result of
- 39 services provided by an out of network provider".
- 40 Page 7, line 22, delete "Each" and insert "As described in
- 41 subsection (d), each".
- 42 Page 7, line 26, delete "an" and insert "the".
- 43 Page 7, line 31, after "The" insert "emergency".
- 44 Page 7, line 32, after "pain" insert ", which is a symptom of an
- 45 emergency as provided in IC 27-14-1-8".
- 46 Page 7, between lines 32 and 33, begin a new paragraph and
- 47 insert:

1 "(d) Each managed care plan shall cover and reimburse
2 expenses for emergency services at the rate the enrollee's in-plan
3 covered emergency services would be paid. A provider that
4 provides emergency services to an enrollee under this section may
5 not charge the enrollee except for an applicable copayment or
6 deductible."

7 Page 8, line 26, delete "a medical specialist" and insert "**an**
8 **appropriate provider**".

9 Page 8, line 32, delete "medical specialist whom" and insert
10 "**provider that**".

11 Page 8, line 35, delete "a medical" and insert "**an appropriate**
12 **provider**".

13 Page 8, line 36, before "when" delete "specialist".

14 Page 8, line 36, delete "medical specialist" and insert "**provider**".

15 Page 8, line 40, delete "specialists" and insert "**appropriate**
16 **providers**".

17 Page 8, line 42, delete "medical specialists" and insert
18 "**appropriate providers**".

19 Page 9, line 2, delete "specialists" and insert "**appropriate**
20 **providers**".

21 Page 9, delete lines 22 through 42.

22 Page 10, delete lines 1 through 23.

23 Page 10, line 24, delete "6" and insert "**5**".

24 Page 11, line 39, delete "7" and insert "**6**".

25 Page 12, delete lines 36 through 42.

26 Delete pages 13 through 21.

27 Page 22, delete lines 1 through 19.

28 Page 22, line 20, delete "12" and insert "**7**".

29 Page 22, line 21, delete "Each" and insert "**Beginning January 1,**
30 **2000, each**".

31 Page 22, delete line 42, begin a new paragraph and insert:

32 "**Chapter 8. Miscellaneous Provisions**

33 **Sec. 1. A managed care entity operated under this article is**
34 **subject to the following:**

35 (1) **IC 27-13-6 concerning quality management programs.**

36 (2) **IC 27-13-8 concerning annual reports.**

37 (3) **IC 27-13-10 concerning grievance procedures.**

38 (4) **IC 27-13-15 concerning hold harmless provisions in**
39 **contracts.**

40 (5) **IC 27-13-31 concerning confidentiality of medical**
41 **information and limitations of liability.**"

42 Page 23, delete lines 1 through 18.

43 Page 23, line 19, delete "14" and insert "**9**".

44 Page 23, line 38, delete "insurance," and insert "**insurance**".

45 Page 23, line 41, delete "IC 27-14-12-1" and insert "**IC**
46 **27-14-7-1**".

47 Renumber all SECTIONS consecutively.

1 (Reference is to SB 364 as printed January 27, 1998.)

Senator LAWSON