

IC 27-1-37.3

Chapter 37.3. Third Party Rights and Responsibilities Under Health Care Contracts

IC 27-1-37.3-0.1

Application of chapter

Sec. 0.1. The addition of this chapter by P.L.55-2008 applies to a health care contract that is entered into, amended, or renewed after June 30, 2008.

As added by P.L.220-2011, SEC.425.

IC 27-1-37.3-1

Application of definitions

Sec. 1. Unless otherwise specified in this chapter, the definitions in IC 27-8-11-1 apply throughout this chapter.

As added by P.L.55-2008, SEC.1.

IC 27-1-37.3-2

"Affiliate"

Sec. 2. As used in this chapter, "affiliate" has the meaning set forth in IC 27-1-25-1.

As added by P.L.55-2008, SEC.1.

IC 27-1-37.3-3

"Contractor"

Sec. 3. As used in this chapter, "contractor" refers to a person with a primary business purpose of entering into health care contracts with providers.

As added by P.L.55-2008, SEC.1.

IC 27-1-37.3-4

"Covered individual"

Sec. 4. As used in this chapter, "covered individual" means an individual who is entitled to coverage under a health plan.

As added by P.L.55-2008, SEC.1.

IC 27-1-37.3-5

"Health plan"

Sec. 5. (a) As used in this chapter, "health plan" means a plan through which coverage is provided for health care services through insurance, prepayment, reimbursement, or otherwise. The term includes the following:

- (1) An employee welfare benefit plan (as defined in 29 U.S.C. 1002 et seq.).
- (2) A policy of accident and sickness insurance (as defined in IC 27-8-5-1).
- (3) An individual contract (as defined in IC 27-13-1-21) or a group contract (as defined in IC 27-13-1-16).

(b) The term does not include the following:

- (1) Accident-only, credit, Medicare supplement, long term care,

- or disability income insurance.
- (2) Coverage issued as a supplement to liability insurance.
- (3) Worker's compensation or similar insurance.
- (4) Automobile medical payment insurance.
- (5) A specified disease policy issued as an individual policy.
- (6) A short term insurance plan that:
 - (A) may not be renewed; and
 - (B) has a duration of not more than six (6) months.
- (7) A policy that provides a stipulated daily, weekly, or monthly payment to an insured during hospital confinement, without regard to the actual expense of the confinement.

As added by P.L.55-2008, SEC.1.

IC 27-1-37.3-6

"Health care contract"

Sec. 6. As used in this chapter, "health care contract" means a contract between a person and a provider specifying the rights and responsibilities of the:

- (1) person; and
- (2) provider;

in relation to payment for and delivery of health care services to a covered individual.

As added by P.L.55-2008, SEC.1.

IC 27-1-37.3-7

Granting access to contracted health care services; requirements

Sec. 7. A contractor may not lease, rent, or otherwise grant access to a provider's health care services under a health care contract unless the contractor complies with one (1) of the following:

- (1) The third party to which the access is granted is:
 - (A) an employer or another entity providing coverage for health care services to the employer's or entity's employees or members and the entity has a contract with the contractor or the contractor's affiliate for the administration or processing of claims for payment or service provided under the health care contract; or
 - (B) an affiliate or a subsidiary of the contractor or providing administrative services to or receiving administrative services from the contractor or the contractor's affiliate or subsidiary.
- (2) The:
 - (A) health care contract specifically states that the contractor may lease, rent, or otherwise grant access to the provider's health care services under the health care contract;
 - (B) third party accessing the health care contract is:
 - (i) a payer or third party administrator or another entity that administers claims on behalf of the payer;
 - (ii) a preferred provider organization or preferred provider network, including a physician-hospital organization; or
 - (iii) an entity engaged in the electronic claims transport

between the contractor and the payer; and
(C) third party that is granted access to the provider's health care services under the health care contract is obligated to comply with all the applicable terms of the health care contract.

As added by P.L.55-2008, SEC.1.

IC 27-1-37.3-8

List of third parties with access to contracted health care services

Sec. 8. (a) A contractor that leases, rents, or otherwise grants access to a provider's health care services as described in section 7(2) of this chapter shall maintain an Internet web page or a toll free telephone number through which the provider may obtain a listing, updated at least semiannually, of the third parties to which access to the provider's health care services has been granted.

(b) A contractor shall, at the time a health care contract is entered into with a provider, identify and provide any preferred provider organization, preferred provider network, physician hospital organization, or other entity identified in section 7(2)(B)(ii) of this chapter that is known at the time of contracting, to which the contractor will grant access to the provider's health care services under section 7 of this chapter.

As added by P.L.55-2008, SEC.1.

IC 27-1-37.3-9

Identification of contractual source of discounts

Sec. 9. A contractor that leases, rents, or otherwise grants access to a provider's health care services under section 7 of this chapter shall ensure that an explanation of benefits or remittance advice furnished to the provider that delivers health care services under the health care contract identifies the contractual source of any discount that applies.

As added by P.L.55-2008, SEC.1.

IC 27-1-37.3-10

Termination of third party rights

Sec. 10. Subject to applicable continuity of care requirements, a third party's right to exercise a contractor's rights and responsibilities under a health care contract terminates on the date that the health care contract is terminated.

As added by P.L.55-2008, SEC.1.

IC 27-1-37.3-11

Arbitration of disputes

Sec. 11. A health care contract may provide for arbitration of disputes arising under this chapter.

As added by P.L.55-2008, SEC.1.