

SENATE BILL No. 336

By Committee on Financial Institutions and Insurance

1-30

1 AN ACT concerning insurance; pertaining to patient protection act;
2 prohibiting the use of certain provisions in agreements; amending
3 K.S.A. 40-4607 and repealing the existing section.
4

5 *Be it enacted by the Legislature of the State of Kansas:*

6 Section 1. K.S.A. 40-4607 is hereby amended to read as follows: 40-
7 4607. (a) A health insurer providing a health benefit plan shall maintain a
8 provider network that is sufficient in numbers and types of providers to
9 assure that all covered services to an insured will be accessible without
10 unreasonable delay. Sufficiency of the provider network shall be
11 determined in accordance with the requirements of this section, and may
12 be established by reference to any reasonable criteria used by the health
13 insurer, including but not limited to: provider-insured ratios by specialty;
14 primary care provider-insured ratios; geographic accessibility; waiting
15 times for appointments with participating providers; hours of operation;
16 and the availability of technological and specialty services to serve the
17 needs of insureds requiring technologically advanced or specialty care.

18 (b) A health insurer shall have a plan by which an insured with a life-
19 threatening, chronic, degenerative or disabling condition or disease, which
20 requires specialized medical care over a prolonged period of time, may
21 receive a referral to a specialist with expertise in treating such disease or
22 condition who shall be responsible for and capable of providing and
23 coordinating the insured's specialty care.

24 (c) Nothing in this section shall require a health insurer to provide
25 benefits not otherwise covered by the terms of the health benefits plan.

26 (d) A provider network shall not be determined to be insufficient for
27 failure to contract with any provider unwilling to contract under the same
28 terms and conditions, including reimbursement levels, as such health
29 insurer offers to other similarly situated health care providers.

30 (e) (1) *No health insurer shall include a provision in an agreement
31 with any provider which:*

32 (A) *Either prohibits or grants the health insurer an option to prohibit
33 a provider from contracting with another health insurer to accept a lower
34 rate of reimbursement than the payment specified in the agreement;*

35 (B) *either requires or grants the health insurer an option to require
36 that the provider must accept a lesser rate of reimbursement from the*

1 *health insurer if the provider agrees with another health insurer to accept*
2 *the lower rate of reimbursement for services;*

3 *(C) terminates, renegotiates or grants the health insurer an option to*
4 *terminate or renegotiate the agreement, if the provider agrees to accept a*
5 *lower payment or lower rate of reimbursement from a different health*
6 *insurer for services; or*

7 *(D) requires the provider to disclose such provider's contracted rate*
8 *of reimbursement with other health insurers.*

9 *(2) Any provision in an agreement or contract that violates the*
10 *provisions of this subsection shall be void and unenforceable.*

11 Sec. 2. K.S.A. 40-4607 is hereby repealed.

12 Sec. 3. This act shall take effect and be in force from and after its
13 publication in the statute book.