

Senate Bill 340

By: Senator Thomas of the 10th

A BILL TO BE ENTITLED
AN ACT

1 To amend Article 1 of Chapter 24 of Title 33 of the Official Code of Georgia Annotated,
2 relating to general provisions relating to insurance generally, so as to enact the
3 "Comprehensive Patient and Provider Health Care Relief Act of 2002"; to provide for
4 liability for failure by a health care insurer to provide for medically necessary items or
5 services; to provide for reimbursement for medically necessary items or services rendered
6 to an insured person; to provide for the right of an insured person to choose a health care
7 provider to render any medically necessary items or services within this state; to offer certain
8 tax incentives; to provide for related matters; to repeal conflicting laws; and for other
9 purposes.

10 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

11 style="text-align:center">**SECTION 1.**

12 Article 1 of Chapter 24 of Title 33 of the Official Code of Georgia Annotated, relating to
13 general provisions relating to insurance generally, is amended by adding at the end thereof
14 a new Code Section 33-24-59.11 to read as follows:

15 "33-24-59.11.

16 (a) This Code section shall be known and may be cited as the 'Comprehensive Patient and
17 Provider Health Care Relief Act of 2002.'

18 (b) It is the purpose of this Code section:

19 (1) To provide for liability for failure by any health benefit provider to provide for
20 medically necessary items or services within this state;

21 (2) To provide for adequate reimbursement for medically necessary items or services
22 rendered to an insured person by a health care provider within this state;

23 (3) To provide an insured person the right to choose a health care provider to render any
24 medically necessary items or services in this state;

1 (4) To attract more health care providers to underserved areas of this state by providing
2 for more reasonable compensation for services rendered to patients by such providers and
3 to provide that payment for services rendered shall not be an arbitrary number set by a
4 person or entity who is not rendering those services; and

5 (5) To offer a tax incentive to any individual or entity within this state who chooses to
6 obtain comprehensive medical health insurance through an indemnity insurer that is
7 licensed within this state.

8 (c) The General Assembly finds that where many health benefit providers cover the costs
9 of medically necessary item or services, other insurers fail to ensure that patients receive
10 appropriate and medically necessary health care items and services and therefore advocate
11 to a lesser principle of the best medical service that can be rendered to the citizens of this
12 state.

13 (d) As used in this Code section, the term:

14 (1) 'Health benefit provider' means any insurer, health maintenance organization, health
15 benefit plan, preferred provider organization, employee benefit plan, or other entity which
16 provides for payment or reimbursement of health care expenses, health care items or
17 services, disability payments, lost wage payments, or any other benefits under a policy
18 of insurance or contract with an individual or group.

19 (2) 'Health care provider' means any primary care physician or specialist duly licensed
20 or legally authorized to provide health care services in this state.

21 (3) 'Medically necessary' means that which is determined by a treating physician after
22 consultation with the patient to be required according to generally accepted principles of
23 good medical practice for diagnosis or direct care and treatment of an illness or injury of
24 the patient.

25 (e) Any health benefit provider doing business in this state which chooses to make
26 determination of medical necessity for items or services shall do so only through
27 consultation with a health care provider who is board certified in the same specialty for
28 which that determination is being made. The health benefit provider and the health care
29 provider consultant shall make that determination with the full knowledge that they shall
30 be held responsible wholly or in part for any adverse effect or injury to the public health,
31 safety, and welfare. Such adverse effect shall be considered a tort for which a recovery
32 may be had wholly or in part from the health benefit provider and the health care
33 consultant.

34 (f) Any nonfederal health benefit provider shall adjust reimbursement for items or services
35 rendered to patients by health care providers to be no less than the number which is four
36 times the present reimbursement schedule for medicare services or procedures. Changes
37 in the reimbursement schedule below this level can be petitioned for every four years

1 through the office of the Insurance Commissioner. A public notice shall be made after
2 each determination.

3 (g) Any employer within this state that wishes to provide indemnity or nonmanaged care
4 health insurance for 75 or fewer employees shall be granted the opportunity to do so. A
5 tax incentive of \$500.00 per employee shall be granted to such employer at the end of the
6 tax year.

7 (h) Any individual or family of two or more members who wishes to obtain indemnity or
8 nonmanaged care health insurance shall be granted the opportunity to do so. A tax
9 incentive of \$500.00 shall be granted to such individual at the end of the tax year. A tax
10 incentive of \$1,000.00 shall be granted to such family at the end of the tax year.

11 (i) Any employer with 75 or more employees that wishes to obtain indemnity or
12 nonmanaged care health insurance shall be granted the opportunity to do so. A tax
13 incentive of \$250.00 per employee shall be granted to such employer at the end of the tax
14 year."

15 **SECTION 2.**

16 All laws and parts of laws in conflict with this Act are repealed.