

Senator Walker of the 22nd offered the following substitute to SB 53:

A BILL TO BE ENTITLED
AN ACT

1 To provide for legislative findings and intent; to amend Code Section 10-1-393 of the
2 Official Code of Georgia Annotated, relating to unfair practices in consumer transactions,
3 so as to provide for standards for certain health benefit plan contracts and provide for
4 obligations and fees thereunder; to prohibit certain collections and legal actions; to provide
5 for applicability; to amend Code Section 43-34-37, regarding disciplinary actions against
6 physicians, so as to require information regarding laboratory tests and provide for
7 implementation and immunity relating thereto; to provide for effective dates; to repeal
8 conflicting laws; and for other purposes.

9 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

SECTION 1.

10 The General Assembly finds that managed health care has benefited consumers by
11 negotiating contracts with physicians which prohibit such physicians from billing consumers
12 for fees above and beyond the amount paid by the managed care plan. In order to ensure that
13 the consumers of this state continue to receive such benefits, it is imperative that physicians
14 adhere to their contractual obligations to charge only those fees contractually agreed to and
15 not attempt to pass additional or hidden costs along to consumers. The purpose of Section
16 2 of this Act is to ensure that consumers are not charged fees above and beyond those already
17 contracted for between their physician and their health benefit plans.
18

SECTION 2.

19 Code Section 10-1-393 of the Official Code of Georgia Annotated, relating to unfair
20 practices in consumer transactions, is amended by adding between paragraphs (30) and (31)
21 of subsection (b) thereof the following:
22

23 "(30.1) Failing to comply with the following provisions in connection with a contract for
24 health care services between a physician and an insurer which offers a health benefit plan
25 under which such physician provides health care services to enrollees:

1 (A) As used in this paragraph, the term:

2 (i) 'Enrollee' means an individual who has elected to contract for or participate in a
3 health benefit plan for that individual or for that individual and that individual's
4 eligible dependents and includes that enrollee's eligible dependents.

5 (ii) 'Health benefit plan' means any hospital or medical insurance policy or certificate,
6 health care plan contract or certificate, qualified higher deductible health plan, health
7 maintenance organization subscriber contract, any health benefit plan established
8 pursuant to Article 1 of Chapter 18 of Title 45, or any managed care plan.

9 (iii) 'Insurer' means a corporation or other entity which is licensed or otherwise
10 authorized to offer a health benefit plan in this state.

11 (iv) 'Patient' means a person who seeks or receives health care services under a health
12 benefit plan.

13 (v) 'Physician' means a person licensed to practice medicine under Article 2 of
14 Chapter 34 of Title 43.

15 (B) Every contract between a physician and an insurer which offers a health benefit
16 plan under which that physician provides health care services shall be in writing and
17 shall state the obligations of the parties with respect to charges and fees for services
18 covered under that plan when provided by that physician to enrollees under that plan.
19 Neither the insurer which provides that plan nor the enrollee under that plan shall be
20 liable for any amount which exceeds the obligations so established for such covered
21 services.

22 (C) Neither the physician nor a representative thereof shall intentionally collect or
23 attempt to collect from an enrollee any obligations with respect to charges and fees for
24 which the enrollee is not liable and neither such physician nor a representative thereof
25 may maintain any action at law against such enrollee to collect any such obligations.

26 (D) The provisions of this paragraph shall not apply to the amount of any deductible
27 or copayment which is not covered by the health benefit plan.

28 (E) This paragraph shall apply to only such health benefit plan contracts issued,
29 delivered, issued for delivery, or renewed in this state on or after July 2, 2001."

30 SECTION 3.

31 Code Section 43-34-37 of the Official Code of Georgia Annotated, relating to the authority
32 of the Composite State Board of Medical Examiners to discipline a physician, is amended
33 by adding after paragraph (11) of subsection (a) thereof the following:

34 "(11.1) Failed to attempt to inform a patient, in a timely manner, that the physician has
35 received the results of a laboratory test. The board shall promulgate rules for the
36 implementation of this paragraph no later than January 1, 2002. Any physician who

1 complies with the rules promulgated by the board for informing his or her patient that the
2 results of any laboratory test have been received shall be immune from any civil or
3 criminal liability for such disclosure."

4 **SECTION 4.**

5 Section 3 of this Act shall become effective January 1, 2002. The remainder of this Act shall
6 become effective July 1, 2001.

7 **SECTION 5.**

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