

House Bill 1317

By: Representatives Buckner of the 130th, Meadows of the 5th, Neal of the 1st, Gardner of the 57th, Stephenson of the 92nd, and others

A BILL TO BE ENTITLED
AN ACT

1 To amend Code Sections 49-4-142 and 49-5-273 of the Official Code of Georgia Annotated,
2 relating to Medicaid and the PeachCare for Kids Program, respectively, so as to provide for
3 legislative findings; to provide requirements for the Department of Community Health when
4 health maintenance organizations terminate contracts with health care providers; to allow
5 recipients of Medicaid and participants in the PeachCare for Kids Program to switch their
6 enrollment to another health maintenance organization if such health care providers are
7 terminated; to provide for related matters; to repeal conflicting laws; and for other purposes.

8 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

9 **SECTION 1.**

10 The General Assembly finds that timely access to care is a key goal of the state's
11 arrangements with health maintenance organizations (HMOs) for Medicaid and PeachCare
12 for Kids members and that access for recipients and participants must not be impeded by
13 contract disputes between HMOs and health care providers. The General Assembly has
14 determined that a recipient or participant must be allowed to enroll immediately in a different
15 HMO when an HMO terminates a provider's contract if such termination would interrupt the
16 member's relationship with a primary care provider or a dentist or with a specialist who is
17 providing a course of treatment. The General Assembly further finds that the state
18 continuing to pay an HMO a monthly capitation rate for a patient who lacks meaningful
19 access to care unjustly enriches the HMO at the expense of taxpayers.

20 **SECTION 2.**

21 Code Section 49-4-142 of the Official Code of Georgia Annotated, relating to Medicaid, is
22 amended by adding a new subsection to read, as follows:

23 "(d) In the event that a health maintenance organization with which the department has
24 contracted to provide health care services to persons pursuant to this article proposes to
25 terminate a contract with a provider of medical assistance, the department shall:

26 (1) Allow any recipient of medical assistance who is enrolled through such health
 27 maintenance organization and who uses the provider with which the health maintenance
 28 organization proposes to terminate its contract a reasonable amount of time to switch his
 29 or her enrollment to a different health maintenance organization which provides health
 30 care services to persons pursuant to this article regardless of when such recipient's next
 31 annual opportunity to select a health maintenance organization will occur; and
 32 (2) Provide or arrange for adequate notice to the recipient of medical assistance,
 33 including, but not limited to, information on which other health maintenance
 34 organizations have a contract with such provider, an explanation of how to switch
 35 enrollment, and specific contact information for a person designated to process requested
 36 changes."

37 SECTION 3.

38 Code Section 49-5-273 of the Official Code of Georgia Annotated, relating to the PeachCare
 39 for Kids Program, is amended by revising subsection (m) as follows:

40 "(m) Nothing in this article shall be interpreted in a manner so as to preclude the
 41 department from contracting with licensed health maintenance organizations (HMO) or
 42 provider sponsored health care corporations (PSHCC) for coverage of program services
 43 and eligible children; provided, however, that such contracts shall require payment of
 44 premiums and copayments in a manner consistent with this article. The department may
 45 require enrollment in a health maintenance organization (HMO) or provider sponsored
 46 health care corporation (PSHCC) as a condition of receiving coverage under the program.
 47 Notwithstanding the foregoing, in the event that a health maintenance organization with
 48 which the department has contracted to provide health care services to persons under
 49 PeachCare proposes to terminate a contract with a health care provider providing services
 50 to PeachCare participants, the department shall:

51 (1) Allow any participant in PeachCare who is enrolled through such health maintenance
 52 organization and who uses the provider with which the health maintenance organization
 53 proposes to terminate its contract a reasonable amount of time to switch his or her
 54 enrollment to a different health maintenance organization which provides health care
 55 services to persons under PeachCare regardless of when such participant's next annual
 56 opportunity to select a health maintenance organization will occur; and
 57 (2) Provide or arrange for adequate notice to the participant, including, but not limited
 58 to, information on which other health maintenance organizations have a contract with
 59 such provider, an explanation of how to switch enrollment, and specific contact
 60 information for a person designated to process requested changes."

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SECTION 4.

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