

House Bill 354

By: Representatives Fleming of the 121st, Abrams of the 89th, Stephens of the 164th, Kaiser of the 59th, Peake of the 141st, and others

A BILL TO BE ENTITLED
AN ACT

1 To amend Chapter 24 of Title 33 of the Official Code of Georgia Annotated, relating to
2 insurance generally, so as to require an insurer providing services under the state health
3 benefit plan to include certain trauma centers in its provider network; to provide for a
4 mechanism to resolve disputes between insurers and hospitals; to provide for legislative
5 intent; to provide for definitions; to provide for an appeal to the Commissioner of Insurance;
6 to provide for appointment of an arbitration panel; to provide for the panel membership and
7 duties; to provide for subject matter of disputes; to provide for binding decisions; to provide
8 for appeal of the arbitration panel decision and venue; to provide for related matters; to
9 repeal conflicting laws; and for other purposes.

10 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

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

12 Chapter 24 of Title 33 of the Official Code of Georgia Annotated, relating to insurance
13 generally, is amended by adding a new Code section to read as follows:

14 "33-24-59.18.

15 (a) As used in this Code section, the term:

16 (1) 'Health benefit policy' means a contract for health services issued, delivered, issued
17 for delivery, executed, or renewed in this state.

18 (2) 'Insurer' means an accident and sickness insurer authorized by this state to offer or
19 provide health benefit policies.

20 (3) 'Provider network' means health care providers and facilities that are part of an
21 insurer's network of providers and facilities with which the insurer has negotiated
22 discounts and that are listed in the health benefit policy's provider directory as network
23 members.

24 (4) 'State health benefit plan' means the state health benefit plan established under Article
25 1 of Chapter 18 of Title 45 or any other health benefit policy administered by or on behalf
26 of this state.

27 (b) Any insurer which provides a health benefit policy pursuant to the state health benefit
 28 plan shall for such policy include in its provider network all Level 1 trauma centers located
 29 in its defined service area.

30 (c) Any such insurer which does not include in its provider network all Level 1 trauma
 31 centers located in its defined service area shall be prohibited from entering into a contract
 32 with the Department of Community Health or any other state entity to provide a health
 33 benefit policy or policies under the state health benefit plan."

34 **SECTION 2.**

35 Said chapter is further amended by adding a new article to read as follows:

36 "ARTICLE 5

37 33-24-110.

38 The intent of this article is to provide a mechanism to resolve contract disputes between
 39 insurers and hospitals providing services under the state health benefit plan.

40 33-24-111.

41 As used in this article, the term:

42 (1) 'Commissioner' means the Commissioner of Insurance.

43 (2) 'Health benefit policy' means a contract for health services issued, delivered, issued
 44 for delivery, executed, or renewed in this state.

45 (3) 'Insurer' means an accident and sickness insurer authorized by this state to offer or
 46 provide health benefit policies.

47 (4) 'Out of network' refers to health care items or services provided to an enrollee by
 48 providers who do not belong to the provider network under a health benefit policy plan.

49 (5) 'State health benefit plan' means the state health benefit plan established under Article
 50 1 of Chapter 18 of Title 45 or any other health benefit policy administered by or on behalf
 51 of this state.

52 33-24-112.

53 In the event that an insurer providing a health benefit policy pursuant to the state health
 54 benefit plan and a hospital cannot agree on the terms of a contract within 30 days before
 55 going out of network or any time after going out of network, either party may file an appeal
 56 to the Commissioner.

57 33-24-113.

58 (a) Within seven days of receipt of an appeal, the Commissioner shall appoint an
59 arbitration panel composed of five members as follows:

60 (1) A member of the Georgia Hospital Association;

61 (2) A member of the Medical Association of Georgia;

62 (3) A member of the Georgia Association of Health Plans;

63 (4) A health consumer advocate; and

64 (5) A person with a specialization in health care who is employed by an institution of
65 higher learning in this state.

66 (b) No member of the arbitration panel shall be a party to the dispute.

67 33-24-114.

68 (a) The arbitration panel shall meet as soon after appointment as practicable and shall
69 receive evidence and argument from the insurer and the hospital.

70 (b) The arbitration panel shall by majority vote render a decision which shall be binding
71 on all parties to the dispute not later than the sixtieth day following such appointment.

72 (c) The arbitration panel may make decisions affecting rates, contract terms, or any other
73 matter in dispute. The decision may be binding for up to three years.

74 (d) In the event the insurer and the hospital reach an agreement prior to the issuance of a
75 decision by the panel, the agreement shall be entered into as the decision of the panel.

76 33-24-115.

77 An insurer or a hospital may appeal the arbitration panel decision by filing an action in the
78 Superior Court of Fulton County within ten days of receipt of the panel's written finding
79 and recommendations. The sole grounds for appeal shall be to correct errors of fact or of
80 law, any bias or misconduct of an arbitrator, or the panel's abuse of discretion."

81 **SECTION 3.**

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