



House of Representatives

General Assembly

File No. 362

January Session, 2023

House Bill No. 6782

House of Representatives, April 3, 2023

The Committee on Insurance and Real Estate reported through REP. WOOD of the 29th Dist., Chairperson of the Committee on the part of the House, that the bill ought to pass.

AN ACT CONCERNING NOTICES OF TERMINATION OF HEALTH CARE CONTRACTS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subsection (g) of section 38a-472f of the general statutes is
2 repealed and the following is substituted in lieu thereof (*Effective October*
3 *1, 2023*):

4 (g) (1) (A) A health carrier and participating provider shall provide
5 [at least] not less than ninety days' written notice [to each other before
6 the health carrier removes a participating provider from the network or
7 the participating provider leaves the network. Each participating
8 provider that receives a notice of removal or issues a departure notice
9 shall provide to the health carrier a list of such participating provider's
10 patients who are covered persons under a network plan of such health
11 carrier] of any intent to terminate a contract between such health carrier
12 and such participating provider on the end date of such contract period.
13 Upon receipt of any notice of intent to terminate such contract by any
14 health carrier or participating provider, such participating provider

15 shall provide to such health carrier a list of such participating provider's
16 patients who are covered persons under such health carrier's network
17 plan. In the event that any such notice is not provided by either a
18 participating provider or health carrier, such contract shall either
19 automatically renew or be extended.

20 (B) A health carrier shall make a good faith effort to provide written
21 notice, not later than thirty days [after the health carrier receives or
22 issues a written notice under subparagraph (A) of this subdivision]
23 before the date that such participating provider leaves or is removed
24 from such health carrier's network, to all covered persons who are
25 patients being treated on a regular basis by or at the participating
26 provider [being removed from or leaving the network,] irrespective of
27 whether such removal or departure is for cause.

28 (C) For each contract entered into, renewed, amended or continued
29 on or after July 1, [2018] 2024, between a health carrier and a
30 participating provider that is a hospital, as defined in section 38a-493, or
31 a parent corporation of a hospital or an intermediary, if the contract is
32 not renewed or is terminated by either the health carrier or the
33 participating provider, the health carrier and the participating provider
34 shall continue to abide by the terms of such contract, including
35 reimbursement terms for all health care services and provisions
36 provided under such contract, for a period of sixty days from the date
37 of termination or, in the case of a nonrenewal, from the end of the
38 contract period. Except as otherwise agreed between such health carrier
39 and such participating provider, the reimbursement terms of any
40 contract entered into by such health carrier and such participating
41 provider during said sixty-day period shall be retroactive to the date of
42 termination or, in the case of a nonrenewal, the end date of the contract
43 period. Such provider shall be deemed out-of-network as of the date of
44 contract termination. This subparagraph shall not apply if the health
45 carrier and participating provider agree, in writing, to the termination
46 or nonrenewal of the contract and the health carrier and participating
47 provider provide the notices required under subparagraphs (A) and (B)
48 of this subdivision.

49 (2) (A) For the purposes of this subdivision:

50 (i) "Active course of treatment" means (I) a medically necessary,
51 ongoing course of treatment for a life-threatening condition, (II) a
52 medically necessary, ongoing course of treatment for a serious
53 condition, (III) medically necessary care provided during the second or
54 third trimester of pregnancy, or (IV) a medically necessary, ongoing
55 course of treatment for a condition for which a treating health care
56 provider attests that discontinuing care by such health care provider
57 would worsen the covered person's condition or interfere with
58 anticipated outcomes;

59 (ii) "Life-threatening condition" means a disease or condition for
60 which the likelihood of death is probable unless the course of such
61 disease or condition is interrupted;

62 (iii) "Serious condition" means a disease or condition that requires
63 complex ongoing care such as chemotherapy, radiation therapy or
64 postoperative visits, which the covered person is currently receiving;
65 and

66 (iv) "Treating provider" means a covered person's treating health care
67 provider or a facility at which a covered person is receiving treatment,
68 that is removed from or leaves a health carrier's network pursuant to
69 subdivision (1) of this subsection.

70 (B) (i) Each health carrier shall establish and maintain reasonable
71 procedures to transition a covered person, who is in an active course of
72 treatment with a participating health care provider or at a participating
73 facility that becomes a treating provider, to another participating
74 provider in a manner that provides for continuity of care.

75 (ii) In addition to the notice required under subparagraph (B) of
76 subdivision (1) of this subsection, the health carrier shall provide to such
77 covered person (I) a list of available participating providers in the same
78 geographic area as such covered person who are of the same health care
79 provider or facility type, and (II) the procedures for how such covered

80 person may request continuity of care as set forth in this subparagraph.

81 (iii) Such procedures shall provide that:

82 (I) Any request for a continuity of care period shall be made by the
83 covered person or the covered person's authorized representative;

84 (II) A request for a continuity of care period, made by a covered
85 person who meets the requirements under subparagraph (B)(i) of this
86 subdivision or such covered person's authorized representative and
87 whose treating provider was not removed from or did not leave the
88 network for cause, shall be reviewed by the health carrier's medical
89 director after consultation with such treating provider; and

90 (III) For a covered person who is in the second or third trimester of
91 pregnancy, the continuity of care period shall extend through the
92 postpartum period.

93 (iv) The continuity of care period for a covered person who is
94 undergoing an active course of treatment shall extend to the earliest of
95 the following: (I) Termination of the course of treatment by the covered
96 person or the treating provider; (II) ninety days after the date the
97 participating provider is removed from or leaves the network, unless
98 the health carrier's medical director determines that a longer period is
99 necessary; (III) the date that care is successfully transitioned to another
100 participating provider; (IV) the date benefit limitations under the health
101 benefit plan are met or exceeded; or (V) the date the health carrier
102 determines care is no longer medically necessary.

103 (v) The health carrier shall only grant a continuity of care period as
104 provided under subparagraph (B)(iv) of this subdivision if the treating
105 provider agrees, in writing, (I) to accept the same payment from such
106 health carrier and abide by the same terms and conditions as provided
107 in the contract between such health carrier and treating provider when
108 such treating provider was a participating provider, and (II) not to seek
109 any payment from the covered person for any amount for which such
110 covered person would not have been responsible if the treating provider

111 was still a participating provider.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2023</i>	38a-472f(g)

INS *Joint Favorable*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note**State Impact:** None**Municipal Impact:** None**Explanation**

The bill has no fiscal impact as it pertains to private contracts between health insurers and providers, and the notifications health insurers must send to insureds when those contracts are set to terminate.

The Out Years**State Impact:** None**Municipal Impact:** None

OLR Bill Analysis**HB 6782*****AN ACT CONCERNING NOTICES OF TERMINATION OF HEALTH CARE CONTRACTS.*****SUMMARY**

This bill requires a health carrier (e.g., insurer or HMO) and each provider participating in its network (i.e., participating provider) to give each other at least 90 days' notice of an intent to terminate the contract at the end of the contract period. (Current law requires at least 90 days' notice before a participating provider is removed from or leaves a network.) The bill specifies that if notice is not given, the contract must automatically renew or be extended.

Upon making or receiving a notice of the intent to terminate the contract, the bill requires a participating provider to give the carrier a list of patients covered by the carrier's network plan. It requires the carrier to make a good faith effort to notify all insureds who are regular patients of the participating provider within 30 days before the provider leaves or is removed from the network. (Current law requires this within 30 days after notification that a provider is being removed from or leaving a network.)

By law, with respect to contracts between a health carrier and a participating hospital or its parent corporation, when a contract is terminated or not renewed, the carrier and hospital must continue to abide by the contract for an additional 60 days. Under the bill, this also applies to contracts with a hospital's intermediary. The bill states that for contracts entered into, renewed, amended, or continued on or after July 1, 2024, this specifically means that they must continue abiding by the reimbursement terms for all health care services and provisions under the contract for 60 days from the termination date or, in the case

of a nonrenewal, from the end of the contract period. Additionally, the bill specifies that the hospital will be deemed out-of-network as of the contract termination date. As under current law, these provisions do not apply if the carrier and hospital agree in writing to the contract termination and make the notices described above.

EFFECTIVE DATE: October 1, 2023

COMMITTEE ACTION

Insurance and Real Estate Committee

Joint Favorable

Yea 10 Nay 2 (03/16/2023)