

CHAPTER 97-65

Committee Substitute for Senate Bill No. 968

An act relating to prepaid limited health service organizations; creating s. 636.0155, F.S.; requiring prepaid limited health services organizations' contracts and materials to include specified disclosures; amending s. 636.016, F.S.; requiring such organizations to provide certain disclosures to prospective enrollees; amending s. 636.035, F.S.; requiring certain provider contracts to contain termination notice provisions; providing exceptions; providing that certain contracts are unenforceable; prohibiting certain provisions from being included in contracts; creating s. 636.0145, F.S.; providing that certain Medicaid providers operating under a federal waiver may be licensed under chapter 636, F.S.; exempting from certain regulatory requirements those prepaid limited health services organizations that serve only Medicaid clients; providing an effective date.

Be It Enacted by the Legislature of the State of Florida:

Section 1. Section 636.0155, Florida Statutes, is created to read:

636.0155 Language used in contracts and marketing materials.—All prepaid limited health services contracts, marketing materials, and literature printed after October 1, 1997, must disclose in boldfaced type the name of the organization and disclose that the organization is a prepaid limited health service organization licensed under chapter 636.

Section 2. Subsection (12) is added to section 636.016, Florida Statutes, to read:

636.016 Prepaid limited health service contracts.—For any entity licensed prior to October 1, 1993, all subscriber contracts in force at such time shall be in compliance with this section upon renewal of such contract.

(12) Each prepaid limited health service organization shall provide prospective enrollees, upon request, with written information about the terms and conditions of the plan in accordance with subsection (2) to enable prospective enrollees to make informed decisions about accepting a managed-care system of limited health care delivery. All marketing materials printed by the prepaid limited health services organization, after October 1, 1997, must contain a notice in boldfaced type which states that the information required under this section is available to prospective enrollees upon request.

Section 3. Subsections (8), (9), and (10) are added to section 636.035, Florida Statutes, to read:

636.035 Provider arrangements.—

(8) Provider contracts executed after October 1, 1997, and within 180 days after October 1, 1997, for all contracts in existence on October 1, 1997,

must provide that the prepaid limited health service organization will provide 90 days' advance written notice to the provider before canceling, without cause, the contract with the provider, except where a patient's health is subject to imminent danger or a provider's ability to practice is effectively impaired by an action by the Board of Dentistry or another governmental agency.

(9) Every contract between a prepaid limited health service organization and a provider of health care services must contain a provision that if any provision of the agreement is held to be unenforceable or otherwise contrary to any applicable laws, regulations, or rules, such provision shall have no effect and shall be severable without affecting the validity or enforceability of the remaining provisions of this agreement. This subsection applies to policies issued or renewed after October 1, 1997.

(10) A contract between a prepaid limited health service organization and a provider of limited health care services may not contain any provision restricting the provider's ability to communicate information to the provider's patient regarding care or treatment options for the patient when the provider deems knowledge of such information by the patient to be in the best interest of the health of the patient.

Section 4. Section 636.0145, Florida Statutes, is created to read:

636.0145 Certain entities contracting with Medicaid.—Notwithstanding the requirements of s. 409.912(3)(b), an entity that is providing comprehensive inpatient and outpatient mental health care services to certain Medicaid recipients in Hillsborough, Highlands, Hardee, Manatee, and Polk Counties through a capitated, prepaid arrangement pursuant to the federal waiver provided for in s. 409.905(5) must become licensed under chapter 636 by December 31, 1998. Any entity licensed under this chapter which provides services solely to Medicaid recipients under a contract with Medicaid shall be exempt from ss. 636.017, 636.018, 636.022, 636.028, and 636.034.

Section 5. This act shall take effect upon becoming a law.

Became a law without the Governor's approval May 16, 1997.

Filed in Office Secretary of State May 12, 1997.