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By Mr. Moore, a petition (accompanied by bill, Senate, No. 761) of Richard T. Moore, Bruce E. Tarr, Mary Jeanette Murray and other members of the General Court for legislation to provide for fairness and equity in reconciling provider contracts. Insurance.

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**The Commonwealth of Massachusetts**

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In the Year Two Thousand and One.

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AN ACT RELATIVE TO FAIRNESS AND EQUITY IN RECONCILING PROVIDER CONTRACTS.

*Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:*

1 SECTION 1. Section eight of chapter one hundred and seventy-  
2 six A, as most recently amended by Chapter 141 of the Acts of  
3 2000, is hereby amended by inserting after clause (8) the  
4 following new clause:

5 “(9) Any contract between a provider of health services and the  
6 corporation that includes withholds, surpluses, or risk sharing of  
7 any kind, shall require the corporation to provide provider units  
8 and/or contracted physicians with detailed expense descriptions,  
9 including but not limited to member name, dates of service, pri-  
10 mary care and referring physician information, the physician  
11 and/or facility performing the services, amount paid, and, where  
12 applicable, amount withheld. Physicians should also receive spe-  
13 cific information on the company's provider units and/or con-  
14 tracted physicians reconciliation process so that the provider can  
15 review the information at least three months prior to the corpora-  
16 tion's declaring the provider unit above, under, or at budget.”

1 SECTION 2. Section 7 of chapter one hundred and seventy-  
2 six B of the General Laws, as most recently amended by  
3 Chapter 141 of the Acts of 2000, is hereby amended by adding at  
4 the end thereof the following new paragraph:

5 “Any contract between a provider of health services and a med-  
6 ical service corporation that includes withholds, surpluses, or risk

7 sharing of any kind, shall require the medical service corporation  
8 to provide provider units and/or contracted physicians with  
9 detailed expense descriptions, including but not limited to  
10 member name, dates of service, primary care and referring physi-  
11 cian information, the physician and/or facility performing the  
12 services, amount paid, and, where applicable, amount withheld.

13 Physicians should also receive specific information on the com-  
14 pany's provider units and/or contracted physicians reconciliation  
15 process so that the provider can review the information at least  
16 three months prior to the corporation's declaring the provider unit  
17 above, under, or at budget."

1 SECTION 3. Section 6 of chapter 176G, as most recently  
2 amended by Chapter 141 of the Acts of 2000, is hereby amended  
3 by adding at the end thereof the following new paragraph:

4 "Any contract between a provider of health services and a man-  
5 aged care company that includes withholds, surpluses, or risk  
6 sharing of any kind, shall require the managed care company to  
7 provide provider units and/or contracted physicians with detailed  
8 expense descriptions, including but not limited to member name,  
9 dates of service, primary care and referring physician information,  
10 the physician and/or facility performing the services, amount paid,  
11 and, where applicable, amount withheld. Physicians should also  
12 receive specific information on the managed care company's  
13 provider units and/or contracted physicians reconciliation process  
14 so that the provider can review the information at least three  
15 months prior to the managed care company's declaring the  
16 provider unit above, under, or at budget."

1 SECTION 4. Section 2 of chapter 176I, as most recently  
2 amended by chapter 141 of the Acts of 2000, is hereby amended  
3 by inserting at the end thereof the following new paragraph:

4 "Any preferred provider arrangement between a provider of  
5 health services and an organization that includes withholds, sur-  
6 pluses, or risk sharing of any kind, shall require the organization  
7 to provide provider units and/or contracted physicians with  
8 detailed expense descriptions, including but not limited to  
9 member name, dates of service, primary care and referring physi-  
10 cian information, the physician and/or facility performing the

11 services, amount paid, and, where applicable, amount withheld.  
12 Physicians should also receive specific information on the organi-  
13 zations provider units and/or contracted physicians reconciliation  
14 process so that the provider can review the information at least  
15 three months prior to the organization's declaring the provider unit  
16 above, under, or at budget.”

