

State of South Dakota

SEVENTY-NINTH SESSION
LEGISLATIVE ASSEMBLY, 2004

904J0714

SENATE COMMERCE COMMITTEE ENGROSSED NO.

SB 192 - 02/07/2004

This bill has been extensively amended (hoghoused) and may no longer be consistent with the original intention of the sponsor.

Introduced by: Senators Dempster and Sutton (Dan) and Representatives Christensen and Cutler

1 FOR AN ACT ENTITLED, An Act to require participating providers to provide the same rates
2 to persons who have health savings accounts.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

4 Section 1. That § 58-17C-14 be amended to read as follows:

5 58-17C-14. A health carrier offering a managed care plan shall satisfy all the following
6 requirements:

- 7 (1) A health carrier shall establish a mechanism by which the participating provider will
8 be notified on an ongoing basis of the specific covered health services for which the
9 provider will be responsible, including any limitations or conditions on services;
- 10 (2) In no event may a participating provider collect or attempt to collect from a covered
11 person any money owed to the provider by the health carrier nor may the provider
12 have any recourse against covered persons for any covered charges in excess of the
13 copayment, coinsurance, or deductible amounts specified in the coverage, including
14 covered persons who have a health savings account;



- 1 (3) The provisions of §§ 58-17C-7 to 58-17C-26, inclusive, do not require a health
2 carrier, its intermediaries or the provider networks with which they contract, to
3 employ specific providers or types of providers that may meet their selection criteria,
4 or to contract with or retain more providers or types of providers than are necessary
5 to maintain an adequate network;
- 6 (4) A health carrier shall notify participating providers of the providers' responsibilities
7 with respect to the health carrier's applicable administrative policies and programs,
8 including payment terms, utilization review, quality assessment, and improvement
9 programs, grievance procedures, data reporting requirements, confidentiality
10 requirements, and any applicable federal or state programs;
- 11 (5) A health carrier may not prohibit or penalize a participating provider from discussing
12 treatment options with covered persons irrespective of the health carrier's position on
13 the treatment options, from advocating on behalf of covered persons within the
14 utilization review or grievance processes established by the carrier or a person
15 contracting with the carrier or from, in good faith, reporting to state or federal
16 authorities any act or practice by the health carrier that jeopardizes patient health or
17 welfare;
- 18 (6) A health carrier shall contractually require a provider to make health records
19 available to the carrier upon request but only those health records necessary to
20 process claims, perform necessary quality assurance or quality improvement
21 programs, or to comply with any lawful request for information from appropriate
22 state authorities. Any person that is provided records pursuant to this section shall
23 maintain the confidentiality of such records and may not make such records available
24 to any other person who is not legally entitled to the records;

- 1 (7) A health carrier and participating provider shall provide at least sixty days written
2 notice to each other before terminating the contract without cause. If a provider is
3 terminated without cause or chooses to leave the network, upon request by the
4 provider or the covered person and upon agreement by the provider to follow all
5 applicable network requirements, the carrier shall permit the covered person to
6 continue an ongoing course of treatment for ninety days following the effective date
7 of contract termination. In the event of a covered person that has entered a second
8 trimester of pregnancy at the time of contract termination as specified in this section,
9 the continuation of network coverage through that provider shall extend to the
10 provision of postpartum care directly related to the delivery;
- 11 (8) A health carrier shall notify the participating providers of their obligations, if any, to
12 collect applicable coinsurance, copayments, or deductibles from covered persons
13 pursuant to the evidence of coverage, or of the providers' obligations, if any, to notify
14 covered persons of their personal financial obligations for noncovered services;
- 15 (9) A health carrier shall establish a mechanism by which the participating providers may
16 determine in a timely manner whether or not a person is covered by the carrier.