

§ 1367.49. Information to be furnished to consumers or purchasers concerning cost range of procedure or full course of treatment, or quality of services performed by provider or supplier; Review of methodology and data; Online posting; Definitions

(a) A contract issued, amended, renewed, or delivered on or after January 1, 2015, by or on behalf of a health care service plan and a provider or supplier shall not contain any provision that restricts the ability of the health care service plan to furnish consumers or purchasers information concerning any of the following:

(1) The cost range of a procedure or a full course of treatment, including, but not limited to, facility, professional, and diagnostic services, prescription drugs, durable medical equipment, and other items and services related to the treatment.

(2) The quality of services performed by the provider or supplier.

(b) Any contractual provision inconsistent with this section shall be void and unenforceable.

(c) A health care service plan shall provide the provider or supplier an advance opportunity of 30 days to review the methodology and data developed and compiled by the health care service plan, and used pursuant to subdivision (a), before cost or quality information is provided to consumers or purchasers, including material revisions or additions of new information. At the time the health care service plan provides a provider or supplier with the opportunity to review the methodology and data, it shall also notify the provider or supplier in writing of their opportunity to provide an Internet Web site link pursuant to subdivision (f).

(d) If the information proposed to be furnished to enrollees and subscribers on the quality of services performed by a provider or supplier is data that the plan has developed and compiled, the plan shall utilize appropriate risk adjustment factors to account for different characteristics of the population, such as case mix, severity of patient's condition, comorbidities, outlier episodes, and other factors to account for differences in the use of health care resources among providers and suppliers.

(e) Any Internet Web site owned or controlled by a health care service plan, or operated by another person or entity under contract with or on behalf of a health care service plan, that displays the information developed and compiled by the health care service plan as referenced by this section shall prominently post the following statement:

"Individual facilities or health care providers may disagree with the methodology used to define the cost ranges, the cost data, or quality measures. Many factors may influence cost or quality, including, but not limited to, the cost of uninsured and charity care, the type and severity of procedures, the case mix of a facility, special services such as trauma centers, burn units,

medical and other educational programs, research, transplant services, technology, payer mix, and other factors affecting individual facilities and health care providers.”

A health care service plan and a provider or supplier shall not be precluded from mutually agreeing in writing to an alternative method of conveying this statement.

(f) If a provider or supplier chooses to provide an Internet Web site link where a response to the health care service plan’s posting may be found, it shall do so in a timely manner in order to satisfy the requirements of this section. If a provider or supplier chooses to provide a response, a plan shall post, in an easily identified manner, a prominent link to the provider’s or supplier’s Internet Web site where a response to the plan’s posting may be found. A health care service plan and a provider or supplier shall not be precluded from mutually agreeing in writing to an alternative method to convey a provider’s or supplier’s response.

(g) For the purposes of this section, the following definitions shall apply:

(1) “Consumers” means enrollees or subscribers of the health care service plan or beneficiaries of a self-funded health coverage arrangement administered by the health care service plan or other persons entitled to access services through a network established by the health care service plan.

(2) “Provider” has the same meaning as that term is defined in Section 1367.50.

(3) “Purchasers” means the sponsors of a self-funded health coverage arrangement administered by the health care service plan.

(4) “Supplier” has the same meaning as that term is defined in Section 1367.50.

(h) Section 1390 shall not apply for purposes of this section.

HISTORY:

Added Stats 2011 ch 244 § 2 (SB 751), effective

January 1, 2012. Amended Stats 2014 ch 83 § 1 (SB 1340), effective January 1, 2015.