

2016 Regular Session

SENATE BILL NO. 181

BY SENATOR LONG

HEALTH/ACC INSURANCE. Provides relative to the Network Adequacy Act. (8/1/16)

1 AN ACT

2 To amend and reenact R.S. 22:1019.2(A) and 1019.3(B) and to enact R.S. 22:1019.1(D)(21),  
3 relative to network adequacy; to provide for the definition of rural hospital; to  
4 provide with respect to an independent review by the commissioner upon the  
5 submission of a formal complaint by a rural hospital; and to provide for related  
6 matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 22:1019.2(A) and 1019.3(B) are hereby amended and reenacted and  
9 R.S. 22:1019.1(D)(21) is hereby enacted to read as follows:

10 §1019.1. Short title; purpose; scope; and definitions

11 \* \* \*

12 D. As used in this Subpart:

13 \* \* \*

14 **(21) "Rural hospital" has the meaning provided for in the Rural Hospital**

15 **Preservation Act, R.S. 40:1190.3 et seq.**

16 §1019.2. Network adequacy

17 A. A health insurance issuer providing a health benefit plan shall maintain

1 a network that is sufficient in numbers and types of health care providers to ensure  
 2 that all health care services to covered persons will be accessible without  
 3 unreasonable delay. In the case of emergency services and any ancillary emergency  
 4 health care services, covered persons shall have access twenty-four hours per day,  
 5 seven days per week. Sufficiency shall be determined **by the commissioner** in  
 6 accordance with the requirements of this Subpart. In determining sufficiency criteria,  
 7 such criteria shall include but not be limited to ratios of health care providers to  
 8 covered persons by specialty, ratios of primary care providers to covered persons,  
 9 geographic accessibility, waiting times for appointments with participating  
 10 providers, hours of operation, and volume of technological and specialty services  
 11 available to serve the needs of covered persons requiring technologically advanced  
 12 or specialty care.

13 \* \* \*

14 §1019.3. Enforcement provisions; penalties; and regulations

15 \* \* \*

16 B.(1) The commissioner shall not act to arbitrate, mediate, or settle disputes  
 17 regarding a decision not to include a health care provider in a health benefit plan or  
 18 in a provider network if the health insurance issuer has an adequate network as  
 19 determined by the commissioner pursuant to the requirements contained in this  
 20 Subpart.

21 **(2) Notwithstanding any provision of law to the contrary, in the event a**  
 22 **formal complaint is filed with the commissioner by a rural hospital regarding**  
 23 **a health insurance issuer's decision to exclude or not to include a physician**  
 24 **credentialed on the medical staff of a rural hospital in a health benefit plan or**  
 25 **in a provider network, the commissioner shall conduct an independent review,**  
 26 **notwithstanding the filing and approval of an access plan or the submission by**  
 27 **a health issuer of proof of accreditation as required by R.S. 22:1019.2(B)(5). The**  
 28 **commissioner shall determine whether the health insurance issuer's decision**  
 29 **complies with the requirements of network adequacy as set forth in R.S.**

1           **22:1019.2. If, after the independent review, the commissioner determines the**  
 2           **requirements of network adequacy have not been met, the commissioner shall**  
 3           **notify the health insurance issuer in writing of the deficiency. The health**  
 4           **insurance issuer shall have thirty days to voluntarily comply with the directives**  
 5           **of the commissioner to cure the deficiency. Failure to comply with the directives**  
 6           **of the commissioner shall result in the penalty provisions stipulated in R.S.**  
 7           **22:1019.3.**

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The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Cheryl Cooper.

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## DIGEST

SB 181 Original

2016 Regular Session

Long

Present law provides for the purpose, scope, and definitions relative to the Network Adequacy Act.

Proposed law provides that rural hospital has the same meaning as in present law Rural Hospital Preservation Act.

Present law prohibits the commissioner from acting to arbitrate, mediate, or settle disputes regarding a decision not to include a health care provider in a health benefit plan or provider network.

Proposed law retains present law and adds that in the event a formal complaint is filed with the commissioner by a rural hospital regarding a health insurance issuer's decision to exclude or not to include a physician credentialed on the medical staff of a rural hospital in a health benefit plan or provider network, the commissioner shall conduct an independent review to determine whether the health insurance issuer's decision complies with the provisions of present law.

Proposed law requires the commissioner to notify a health insurance issuer in writing in the event he determines the requirements of network adequacy have not been met. Further provides 30 days for a health insurance issuer to voluntarily comply with the directives of the commissioner to cure the network deficiency. Provides that failure to comply shall result in the penalty provisions in present law.

Effective August 1, 2016.

(Amends R.S. 22:1019.2(A) and 1019.3(B); adds R.S. 22:1019.1(D)(21))