

# HOUSE RESEARCH

## Bill Summary

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**Version:** First engrossment  
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**Subject:** Health care contracting  
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### Overview

This bill involves contracts entered into between managed care networks and chiropractors. The bill specifies three "categories of coverage": health, no-fault auto insurance, and worker's compensation. The bill prohibits managed care networks from requiring chiropractors to provide care under categories of coverage other than the category or categories of coverage specified in the contract, unless the chiropractor consents.

#### 1 **Network shadow contracting.**

**Subd. 1. Definitions.** Defines category of coverage to mean one of health, auto, or worker's compensation coverage. Defines health care provider to mean chiropractor. Defines network organization to include all managed care networks except Blue Cross and Blue Shield of Minnesota.

**Subd. 2. Provider consent required.** Prohibits a managed care network from forcing chiropractors to participate in categories of care other than those the chiropractor has agreed to, unless the chiropractor consents. Provides that this subdivision does not apply if the managed care network wishes to have the chiropractor provide care under a new plan within the same category of care. Prohibits waivers of chiropractors' rights under this subdivision.

**Subd. 3. Consent procedure.** Explains the procedure by which a managed care network may obtain the consent of a chiropractor to cross a category of care boundary. Specifies the contents of the written notice to the chiropractor. Provides that, unless the chiropractor says "no" within 30 days, the chiropractor is deemed to have consented.

**Subd. 4. Contract termination restricted.** Prohibits terminating or not honoring a chiropractor's existing contract due to the chiropractor's decision not to consent to a new category of coverage. Permits the managed care network to refuse to renew the contract on that basis.

**Subd. 5. Remedy.** If a managed care network violates this section, permits chiropractors to

recover damages equal to twice the difference between the value of services and the amounts paid by the network, plus costs, disbursements, and reasonable attorney fees.

**2** **Effective date.** Effective for contracts entered into or renewed after August 1, 1999.