



Consumer and Provider Protection Act FAQ

General

1. What does this bill address?
 - This bill includes 4 separate provisions relating to Rental Networks, All-Products Clauses, Provider Stability, and Network Adequacy.
2. Does this bill mandate that insurers must contract with certain physicians?
 - No. This bill protects patients by requiring that insurers contract with adequate physicians – especially specialists. It does not require insurers to contract with specific physicians.
3. Does this bill apply to Medicaid, PeachState, or Medicare plans?
 - No.
4. Why can the physician simply not negotiate or strike out unwanted provisions in insurance contracts?
 - Physicians currently have very little negotiating power against mammoth health insurers. Health insurers often utilize “take it or leave it” stances.
5. Don’t these business practices save the health care system and/or patient’s money?
 - No, all savings are realized only by insurers. For example, narrow networks provide insurers big savings by allowing them to eliminate higher paid physicians who may be necessary specialists or sub-specialists. This saves insurers money, but compromises access to care and does not affect the health care economy generally. Costs for patients have generally gone up over the last several years (i.e. higher deductibles and co-payments) even as networks have become narrower.
6. How will this bill affect current physician-patient relationships?
 - This legislation will help ensure that all patients have continued access to their current physicians while also providing increased and uninterrupted access to care. Some of these business practices limit patient choice and often force specialty physicians out of network.
7. Do these business practices help protect quality of care?
 - Physicians are often excluded primarily due to costs – not quality of care. Unfortunately, specialty physicians who focus in high risk, high priced treatments are

often excluded based on economic reasons. This hurts patient access to care, especially access to specialists.

8. Does this bill prohibit insurers from any current practices?
 - No, it simply applies guidelines, timeframes, and accountability.

Rental Networks

9. What are Silent PPOs or Rental Networks?
 - Third party entities in healthcare whose primary business is creating networks for the sole purpose of renting their discounts to other insurers. These companies do not deliver any type of care and only interact with the insurers – never the patient or provider. They will “rent” discounted rates from other networks and not notify the physician of the new rate that they have indirectly contracted with the physician.
10. Can physician contracts be sold without notifying the physician?
 - Yes, they can be sold multiple times to multiple networks nationwide. This legislation allows for networks to be sold but requires the physician to know who purchased the networks and requires the networks to comply with the existing contract.
11. Are rental networks prohibited in other states?
 - A number of states have adopted laws regulating PPOs including: Florida, Connecticut, Colorado, Indiana, and Ohio. Other states have enacted laws that limit or prohibit silent PPOs including: South Carolina, Texas, Kentucky, Louisiana, Virginia, Arkansas, California, Maryland, Minnesota, North Carolina, and Oklahoma. Furthermore, the Federal Employee Health Benefit Plan prohibits the use of rental networks in all of their contracts.
12. Can the physician decide to simply not participate in the contract?
 - Yes, but physicians try to avoid because it interrupts patient care; ultimately the patient is the one who endures the most harm.
13. Does this bill prohibit rental networks?
 - No, this bill simply requires that the rental networks register with the Commissioner of Insurance to ensure transparency.

All-Products

14. What are All-Products Clauses?
 - All-products clauses generally force physicians and medical practices to participate in all current (and sometimes future) products that an insurer offers.
15. Will this legislation allow a physician to be able to choose to participate in all-products?
 - Yes, this provision simply allows the physician to operate as an independent business owner. The physician will be able to participate in all- products clauses if they choose. The insurance company will simply not be allowed to force a physician to participate in all.

16. Can a physician currently opt out of a new contract if they are party to an all-products clause?
 - No. If a physician has been forced to participate in an all-products clause provision in their contract, the physician cannot opt out of a new product that the insurer creates. They can opt out of the entire contract, but typically would have to give up to 120 days notice to the insurer and would then be out-of-network for all plans. In some geographic areas, opting out of a contract is not a viable option for the provider and the patients.
17. Does this bill prohibit all-products clauses?
 - No, the bill simply ensures that's physicians are not forced to sign the clauses, but they can still voluntarily choose to participate.

Provider Stability

18. What does Provider Stability encompass?
 - Under current contracts, insurers can change the terms of agreements with physicians in the middle of multiyear contracts without the consent of the provider.
19. Do other industries allow unilateral material changes without negotiation?
 - Under standard contract law contracts are not allowed to be changed without mutual consent of both parties.
20. Does this bill prohibit insurers from amending contracts?
 - No, it just ensures that providers have the opportunity negotiate with the insurers and are not forced to accept changes mid-contract.
21. Does this bill prohibit insurers from making material changes to contracts?
 - No, again, this bill just ensures that providers have the ability to negotiate material changes and are not forced to accept them mid-contract.

Narrow Networks

22. What are Narrow Networks?
 - Insurers offering new plans on the health insurance exchanges limit patient access to care in some areas by significantly narrowing or dramatically tiering provider networks.
23. Do Narrow Networks harm the patients?
 - Yes. Although PPACA requires insurers on the Exchange to have a certain number of physicians per area, narrow networks often cause patients to find new physicians or drive longer distances to find a physician who is within the narrower network. This hurts physician-patient relationships and patient access to care. Furthermore, physician specialists who focus only on more expensive necessary areas of care are often excluded from the networks due to their higher costs. This prohibits patients from seeing the exact specialist they need to see for their illness.
24. Does the Narrow Network provision empower the Commissioner of Insurance to protect patient consumers?

- Yes, under this provision the Commissioner will be able to ensure that patients have access to adequate physicians and specialists. Enforcement costs will be assessed on noncompliant insurers.