Overview

This bill requires uniform charges and payments for health care, without regard for the identity or bargaining power of the private or public sector entity paying for the health care. This bill prohibits payment arrangements not based on fee-for-service.

1 Uniform charges required. (a) Prohibits health care providers from varying their charges based upon the identity of the payer. (b) Lists specific types of pricing practices prohibited by this bill, including both public and private sector arrangements. (c) Provides that this bill prohibits capitation and any other pricing arrangements not based on fee-for-service. (d) Permits discounts in charity care situations. (e) Provides that this bill does not prohibit health care industry employees from being salaried. (f) Requires licensing boards to enforce this section. (g) Requires all third-party payers to honor this section and not discriminate against providers that comply with it. Permits enforcement by the attorney general.

2 Provider charges based on size of purchaser prohibited. Prohibits discounted fee arrangements in which large payers use their bargaining power to obtain discounted fees from providers.

3 Health plan company charges based upon size of purchaser prohibited. This is a companion section to the previous section. Prohibits insurers and HMOs from charging lower premium rates to large employers and higher premium rates to smaller employers. Prohibits discounts for purchasing pools.

4 Capitation arrangements prohibited. Prohibits insurers and other buyers of health care from entering into capitation arrangements with providers. Prohibits health care providers from entering into such arrangements. This section is related to section 1, but is in a chapter of statutes that regulates insurers and HMOs.

5 Effective date. Provides January 1, 2000 effective date.