

CHAPTER NO. 88

HOUSE BILL NO. 1254

By Representatives Ronnie Cole, Ralph Cole, McKee, Phelan, Chumney, Brenda Turner

Substituted for: Senate Bill No. 1236

By Senators Cooper, Graves, Kurita, Crowe

AN ACT to amend Tennessee Code Annotated, Title 56, Chapter 32, Part 2 and Title 56, Chapter 7, relative to health insurance issuers and managed health insurance issuers.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 56, Chapter 32, Part 2, is amended by adding the following language as a new section to be designated as follows:

Section 56-32-237. A managed health insurance issuer shall not discriminate with respect to participation, referral, reimbursement of covered services or indemnification as to any provider who is acting within the scope of the provider's license or certification under state law, solely on the basis of such license or certification. In selecting among providers of health services for membership in a provider network, a managed health insurance issuer or other network shall not discriminate against a class of providers who provide services that are covered by the plan by prohibiting such class of providers from membership in the provider network. As used in this section, "class of providers" means certified nurse midwives as described in §56-7-2407 and nurses in advanced practice as defined by §56-7-2408. This section shall not be construed as prohibiting managed health insurance issuers from including providers or classes of providers only to the extent necessary to meet the needs of the managed health insurance issuer's plan and its enrollees or from limiting referrals or establishing any other measure designed to maintain quality and control costs consistent with the responsibilities of the plan. This section shall not be construed as creating coverage for any service that is not otherwise covered under the terms of the managed health insurance issuer's plan.

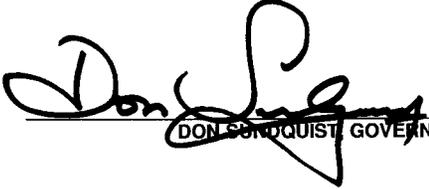
SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring it.

PASSED: April 2, 2001


JIMMY NAIFEH, SPEAKER
HOUSE OF REPRESENTATIVES


JOHN S. WILDER
SPEAKER OF THE SENATE

APPROVED this 11th day of April 2001


DON SUNDQUIST, GOVERNOR