



# State of Tennessee

## PUBLIC CHAPTER NO. 862

SENATE BILL NO. 726

By Watson, Bowling, Massey

Substituted for: House Bill No. 859

By Durham, Rogers, Kane, Pody, Hall, Littleton

AN ACT to amend Tennessee Code Annotated, Title 56, Chapter 7, relative to the amounts paid under insurance plans for the services of certain health care providers.

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

SECTION 1. Tennessee Code Annotated, Title 56, Chapter 7, Part 24, is amended by adding the following language as a new section:

56-7-2409.

(a) As used in this section:

(1) "Coinsurance" means a percentage of the contractual fee schedule applicable to a particular health care provider that a covered person must pay for covered services rendered by that provider under the terms of a particular health insurance policy or plan;

(2) "Copayment" means the specified dollar amount that a covered person must pay for covered services during a visit to a health care provider under the terms of a particular health insurance policy or plan;

(3) "Covered person" has the same meaning as set forth in § 56-7-110(a); and

(4) "Health insurance entity" has the same meaning as set forth in § 56-7-109, but does not include government insurance plans created by title 8, chapter 27.

(b) A health insurance entity offering employer-based plans must offer to employers no less than one (1) plan option in which the copayment and coinsurance amounts for services rendered during an office visit to a chiropractic physician licensed under title 63, chapter 4, or to a physical therapist or occupational therapist licensed under title 63, chapter 13, are no greater than the copayment and coinsurance amounts for the services rendered during an office visit to a primary care physician licensed under title 63, chapter 6 or title 63, chapter 9.

(c) Compliance with this section shall not be required with respect to a particular insurance plan if it is determined that compliance would cause that plan to lose its status as a grandfathered health plan within the meaning of § 1251 of the federal Patient Protection and Affordable Care Act, P.L. 111-148, as amended, and § 2301 of the federal Health Care and Education Reconciliation Act of 2010, P.L. 111-152, as amended.

(d) Nothing in this section shall apply to accident-only, specified disease, hospital indemnity, Medicare supplement, disability income, long-term care, or other limited benefit hospital insurance policies, and any employer plan exempt from regulation under this title due to § 514 of the federal Employee Retirement Income Security Act of 1974 (ERISA), compiled in 29 U.S.C. § 1144.

SECTION 2. This act shall take effect January 1, 2015, the public welfare requiring it, and shall apply to all contracts with health insurance entities that are entered into or renewed on or after that date.

SENATE BILL NO. 726

PASSED: April 14, 2014



Handwritten signature of Ron Ramsey in black ink, written over a horizontal line.

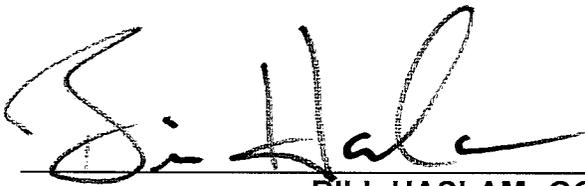
RON RAMSEY  
SPEAKER OF THE SENATE



Handwritten signature of Beth Harwell in black ink, written over a horizontal line.

BETH HARWELL, SPEAKER  
HOUSE OF REPRESENTATIVES

APPROVED this 1<sup>st</sup> day of May 2014



Handwritten signature of Bill Haslam in black ink, written over a horizontal line.

BILL HASLAM, GOVERNOR