



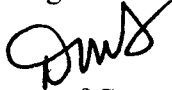
STATE OF TENNESSEE
DEPARTMENT OF COMMERCE AND INSURANCE
500 JAMES ROBERTSON PARKWAY
NASHVILLE, TENNESSEE 37243

DON SUNDQUIST
GOVERNOR

DOUGLAS M. SIZEMORE
COMMISSIONER

BULLETIN

TO: All Health Maintenance Organizations Conducting Business in Tennessee

FROM: Douglas M. Sizemore 
Commissioner, Department of Commerce & Insurance

DATE: February 23, 1999

RE: **Requirements of Tennessee Code Annotated § 56-32-227, as Enacted by
Public Chapter 952 of the 1998 Tennessee Public Acts, Effective January 1, 1999**

The purpose of this Bulletin is to advise you of the independent review process set forth in Tennessee Code Annotated § 56-32-227, as enacted by Public Chapter 952, effective January 1, 1999. Tennessee Code Annotated § 56-32-227 requires, among other things, that each health maintenance organization ("HMO") conducting business in Tennessee provide an independent review process to examine the HMO plan's coverage decisions for individual enrollees. This Bulletin sets forth the information and documentation which must be submitted to this Department for review to ensure that each licensed HMO has met the requirements of Tenn. Code Ann. § 56-32-227, and establishes a time frame for this process to occur.

By no later than March 1, 1999, each HMO shall submit to this Department a detailed description of the "independent review process" established by Tenn. Code Ann. § 56-32-227, which shall include, but not be limited to, all policies developed for this process and identification of all "experts" retained by the independent review entity to conduct the independent review process. The HMO shall also provide written evidence to this Department that the HMO has met the requirements set forth in Tenn. Code Ann. § 56-32-227(c).

Once this information is received by this Department, the Department will review this information to ensure compliance by each licensed HMO with the requirements of Tenn. Code Ann. § 56-32-227. This Department shall notify each HMO of the results of its review as expeditiously as possible.

Should any HMO determine to make any revisions to the "independent review process", such revisions must be submitted to the Commissioner for review and approval sixty (60) days prior to implementation of any such revisions.

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Finally, you should note that Tennessee Code Annotated § 56-32-227(e) specifically provides that the provisions of this section shall not affect or apply to an HMO's TennCare line of business.

Should you have any further questions, please do not hesitate to contact Neil Nevins, Assistant Commissioner for Insurance. I appreciate your assistance and cooperation in implementing this new legislation.

DMS:CNN:lsc

cc: Nancy Menke, Commissioner, Department of Health
Neil Nevins, Assistant Commissioner, Insurance Division
Jim Winters, Director, Consumer Insurance Services
Mary Jo Price, General Counsel, Department of Health
Rob Moore, Chief Counsel, Insurance Division
Martha Carol Holland, Staff Counsel, Insurance Division
Lisa Jordan, TennCare Examiner