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No. 1006

H.P. 704

House of Representatives, March 12, 2013

**An Act To Clarify Transparency of Medical Provider Profiling
Programs Used by Insurance Companies and Other Providers of
Health Insurance**

Reference to the Committee on Insurance and Financial Services suggested and ordered printed.

Millicent M. MacFarland
MILLICENT M. MacFARLAND
Clerk

Presented by Representative TREAT of Hallowell.
Cosponsored by Representatives: BEAUDOIN of Biddeford, GRAHAM of North Yarmouth,
McCABE of Skowhegan, ROTUNDO of Lewiston, STANLEY of Medway, Senators:
GRATWICK of Penobscot, WOODBURY of Cumberland.

1 **Be it enacted by the People of the State of Maine as follows:**

2 **Sec. 1. 24-A MRSA §2694-A, sub-§1**, as enacted by PL 2009, c. 350, Pt. B, §1,
3 is amended to read:

4 **1. Performance measurement, reporting and tiering programs.** An insurer
5 delivering or issuing for delivery within the State any individual health insurance policy
6 or group health insurance policy or certificate shall annually file with the superintendent
7 on or before October 1, 2010 and annually by October 1st in subsequent years a full and
8 true statement of its criteria, standards, practices, procedures and programs that measure
9 ~~physician performance~~ or tier physician performance with respect to quality, cost or cost-
10 efficiency. The statement must be on a form prepared by the superintendent and may be
11 supplemented by additional information required by the superintendent. The statement
12 must be verified by the oath of the insurer's president or vice-president, and secretary or
13 chief medical officer. A filing and supporting information are public records
14 notwithstanding Title 1, section 402, subsection 3, paragraph B.

15 **Sec. 2. 24-A MRSA §4301-A, sub-§16-A**, as enacted by PL 2009, c. 439, Pt. B,
16 §1, is amended to read:

17 **16-A. Provider profiling program.** "Provider profiling program" means a program
18 that uses provider data in order to rate or rank provider quality, cost or efficiency of care
19 by the use of a grade, star, tier, rating or any other form of designation, including
20 designations made pursuant to section 4303, subsection 1.

21 **Sec. 3. 24-A MRSA §4303, sub-§2, ¶E**, as enacted by PL 2009, c. 439, Pt. B,
22 §5, is amended to read:

23 E. A carrier with a provider profiling program shall:

24 (1) Disclose to providers the methodologies, criteria, data and analysis used to
25 evaluate provider quality, performance, cost, including but not limited to unit
26 cost, price and cost-efficiency ratings and, upon request from a provider
27 evaluated on these bases, provide to that provider electronic copies of the data
28 associated with the requesting provider and all adjustments to that data;

29 (2) Create and share with providers their provider profile at least 60 days prior to
30 using or publicly disclosing the results of the provider profiling program;

31 (3) Afford providers the opportunity to correct errors, submit additional
32 information for consideration and seek review of data and performance ratings;
33 and

34 (4) Afford providers due process appeal rights to challenge the profiling
35 determination described in this subsection and by Bureau of Insurance Rule
36 Chapter 850, Health Plan Accountability.

37 If a carrier has a provider profiling program that includes out-of-network providers, a
38 carrier must meet the requirements of this paragraph with regard to an out-of-network
39 provider as well as for a provider in a carrier's network.

SUMMARY

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This bill requires that any cost metric used by insurance providers in a provider profiling program is covered by the existing transparency provisions in the health plan improvement laws. The bill also requires carriers to provide copies of the data methodology used in the metric to affected providers. The purpose of this bill is to require all insurance providers, including the state health plan and other government insurance programs, to be included in this transparency obligation.