

BILL ANALYSIS

H.B. 1888
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Insurance
Committee Report (Unamended)

BACKGROUND AND PURPOSE

In recent years, many health insurance companies have developed ranking systems to measure the quality and efficiency of physicians. The goal of these systems is to allow health plans and consumers to choose higher-quality and more efficient providers. In 2003, a coalition of business organizations and consumer advocates formed the Consumer-Purchaser Disclosure Project (CPDP) to develop a fair and comprehensive measurement system. In April 2008, CPDP released the Patient Charter for Physician Performance Measurement, Reporting and Tiering Programs to address the problem.

H.B. 1888 requires all insurers that adopt physician ranking systems to meet the standards detailed in the project's performance measurement, reporting, and tiering programs to ensure fairness, consistency, and efficiency. The bill has no fiscal impact to the state. The bill establishes a ranking system for physicians, but does not require a health plan to establish such a system.

RULEMAKING AUTHORITY

It is the committee's opinion that rulemaking authority is expressly granted to the commissioner of insurance in SECTION 1 of this bill.

ANALYSIS

H.B. 1888 amends the Insurance Code to prohibit a health benefit plan issuer from ranking physicians, classifying physicians into tiers based on performance, or publishing physician-specific information that includes rankings, tiers, ratings, or other comparisons of a physician's performance against standards, measures, or other physicians, unless the standards used by the health benefit plan issuer conform to nationally recognized standards as prescribed by the commissioner of insurance, the standards and measurements to be used by the health benefit plan issuer are disclosed to each affected physician before any evaluation period used by the health benefit plan issuer, and each affected physician is afforded an opportunity to dispute the ranking through a process that includes due process protections that conform to protections described by federal law relating to the standards for professional review actions. The bill exempts from the bill's provisions the publication of a list of network physicians and providers if ratings or comparisons are not made.

H.B. 1888 requires the commissioner to adopt rules to implement the bill's provisions and to prescribe the standards to be used by a health benefit plan issuer that uses a physician ranking system. The bill requires the commissioner, in adopting standards, to consider the standards prescribed by nationally recognized health care organizations that establish or promote guidelines and performance measures emphasizing quality of health care, such as the National Quality Forum or the AQA Alliance, or other similar national organizations recognized by the commissioner.

H.B. 1888 provides that a health benefit plan issuer that violates provisions or a rule adopted under the bill's provisions is subject to sanctions set forth by the commissioner, effective January 1, 2010.

H.B. 1888 requires a health benefit plan issuer to comply with the bill's provisions not later than December 31, 2009.

H.B. 1888 defines "health benefit plan issuer" and "physician."

EFFECTIVE DATE

September 1, 2009.