

House Bill 2600 Becomes Law The Managed Care Accountability Act



The Good News

After a lengthy wait and much publicity, the **Managed Care Accountability Act** is finally a reality. The new law makes sweeping changes to the managed care industry including such things as standing referrals, expedited review/appeals process, formulary changes, chiropractic care, continuity of care, claims payment, and insurer liability. For example, it will soon be permissible for an employee to sue the insurance company if their negligence resulted in harm.

These provisions will begin affecting you on your first policy renewal after the December 31, 2000 effective date of the bill. Some carriers have already begun to implement these changes in their plan designs and premium structures. However, unfortunately, some carriers have not. This means that you may see increases in your renewal premiums as well as changes to your current plan design.

This is just a partial list of the changes. Refer to House Bill 2600 for a complete list.

Key Changes

Standing Referrals Anyone with a chronic condition needing ongoing care from a specialist shall receive a standing referral to that specialist.

Expedited Medical Review/Appeals Process The review/appeal process will be shortened for those patients whose physician certifies that a delay is likely to cause harm. The new expedited review/appeal process has been shortened from 30 days to 3 days.



Prescription Formularies All insurance companies will be required to maintain a process by which providers can have a non-formulary drug authorized for patient use. The insurance companies may not exclude a drug from a formulary for 60 days if the drug was previously approved and the provider continues to prescribe it.

Chiropractic Care All insurers shall provide benefits by a network chiropractor for at least 12 visits in a contract period.

Timely Payment of Claims This establishes limited time frames for the payment of claims to providers.

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