

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 530

BY BUSINESS COMMITTEE

AN ACT

RELATING TO INSURANCE; REPEALING SECTION 41-2872, IDAHO CODE, RELATING TO HEALTH CARE PROVIDER CONTRACTS AND TO GRIEVANCE PROCEDURE; AMENDING SECTION 41-2801, IDAHO CODE, TO DELETE A CODE REFERENCE; REPEALING SECTION 41-3927, IDAHO CODE, RELATING TO HEALTH CARE PROVIDERS, PARTICIPATION BY ANY QUALIFIED, WILLING PROVIDER, CONTRACTS AND GRIEVANCE PROCEDURE; AND AMENDING SECTION 41-3904, IDAHO CODE, TO DELETE A CODE REFERENCE.

Be It Enacted by the Legislature of the State of Idaho:

SECTION 1. That Section [41-2872](#), Idaho Code, be, and the same is hereby repealed.

SECTION 2. That Section 41-2801, Idaho Code, be, and the same is hereby amended to read as follows:

41-2801. SCOPE OF CHAPTER. This chapter shall apply only to domestic stock insurers and domestic mutual insurers, except that sections 41-2849 (nonassessable policies, mutual insurers), ~~41-2872 (health care provider contracts)~~ and 41-2873, Idaho Code, (best price -- most favored nations clause prohibited) shall also apply as to foreign insurers.

SECTION 3. That Section [41-3927](#), Idaho Code, be, and the same is hereby repealed.

SECTION 4. That Section 41-3904, Idaho Code, be, and the same is hereby amended to read as follows:

41-3904. CERTIFICATE OF AUTHORITY REQUIRED -- EXCEPTIONS -- APPLICATION OF CERTAIN PROVISIONS. (1) No person shall in this state offer a managed care plan on a predetermined and prepaid basis, unless authorized under a certificate of authority issued by the director. A person offering a managed care plan on a predetermined and prepaid basis is deemed to be transacting the business of insurance.

(2) An organization proposing to offer a managed care plan on a predetermined and prepaid basis, after it has filed its application for a certificate of authority as provided in section 41-3906, Idaho Code, and while its application is pending, if permitted by and in accordance with rules promulgated by the director, may inform the public concerning its proposed health care services.

(3) Entities not offering a managed care plan shall not be subject to the provisions of this chapter.

(4) An entity not required to obtain a certificate of authority which holds itself out to the public or markets itself as an organization rendering basic health care services to a specified population through a managed care

1 plan shall be subject to and must comply with the following sections of this
2 chapter but shall not be subject to regulation by the department: 41-3902;
3 41-3903; 41-3904; 41-3909(1) and (2); 41-3914(1) and (2); 41-3915(1), (2),
4 (3), (4), (5), (6) and (8); 41-3916; 41-3917; 41-3918(1), (2) and (4);
5 41-3919(1) and (2); 41-3920; 41-3921(2), (3) and (4); 41-3922(2); 41-3926;
6 ~~41-3927~~, 41-3928; 41-3930 and 41-3932, Idaho Code.