



## Managed Care Reform

SB 1012 by Senator Gaetz

HB 0405 by Representative Galvano

- Unlike most other professions, in order to get paid for the services they render, physicians must rely on third party payers.
- The three issues addressed in this bill involve assignment of benefits, 'silent' PPOs and the period of time that third party payers have to request refunds of benefits paid to physicians.
- FCEP successfully addressed the issue of assignment of benefits for emergency physicians in 2005 by amending 627.638 F.S. to stipulate that payments will go directly to physicians who provide emergency care and steadfastly requests that, in working on any changes to assignment of benefits, that this statutory requirement be maintained.
- FCEP supports legislation which would ensure that the business agreements between physicians and third party payers are uniform and transparent.
- FCEP encourages legislative action on two problematic issues, "Silent PPOs" and the 'look back period' of 30 months.
- "Silent PPOs" refers to the practice of certain payers whereby they 'rent' or 'sell' its PPO physicians network to a third party. This third party is typically an administrator, smaller PPO, self-insured employer or insurance broker. The third party gets the advantage of whatever discount the payer has negotiated with the physician. All of this happens without the knowledge or authorization of the physician, which is why it is called a 'silent PPO'
- FCEP is supporting legislation that would prohibit this type of arrangement. Contracts between the physician and the insurer would need to be transparent.
- A "lookback" period refers to the time a third party payer has to demand a retroactive refund from the physician when it feels there has been an overpayment. Under current law, that period is **30 months**. The period of time a physician has to submit a claim for payment is **6 months** from the time of service.
- FCEP supports legislation that would eliminate the 24 extra months that third party payers have to "lookback" for overpayment and instead mirror the 6 month period within which physicians must file claims.