

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2841 Session of  
1998

INTRODUCED BY BROWNE, CORNELL, E. Z. TAYLOR, GEIST, GORDNER,  
McCALL, NAILOR, RAMOS, SEMMEL, DALLY, MELIO, ROSS, KENNEY,  
BELFANTI, BOSCOLA, THOMAS, HALUSKA, PESCI, BARD, READSHAW,  
HENNESSEY, BENNINGHOFF, DENT, GIGLIOTTI, CLARK, BARRAR,  
ITKIN, WALKO, MANDERINO, C. WILLIAMS AND YOUNGBLOOD,  
OCTOBER 5, 1998

REFERRED TO COMMITTEE ON INSURANCE, OCTOBER 5, 1998

AN ACT

1 Amending the act of July 8, 1986 (P.L.408, No.89), entitled, as  
2 reenacted and amended, "An act providing for the creation of  
3 the Health Care Cost Containment Council, for its powers and  
4 duties, for health care cost containment through the  
5 collection and dissemination of data, for public  
6 accountability of health care costs and for health care for  
7 the indigent; and making an appropriation," further providing  
8 for data submission and collection and for data dissemination  
9 and publication; providing for fees; and establishing the  
10 Health Maintenance Organization Reports Restricted Account.

11 The General Assembly of the Commonwealth of Pennsylvania  
12 hereby enacts as follows:

13 Section 1. Section 6(d) of the act of July 8, 1986 (P.L.408,  
14 No.89), known as the Health Care Cost Containment Act, reenacted  
15 and amended June 28, 1993 (P.L.146, No.34), is amended to read:

16 Section 6. Data submission and collection.

17 \* \* \*

18 (d) [Provider quality] Quality and [provider] service  
19 effectiveness data elements.--

20 (1) Providers.--In carrying out its duty to collect data

1 on provider quality and provider service effectiveness under  
2 section 5(d)(4) and subsection (c)(21), the council shall  
3 define a methodology to measure provider service  
4 effectiveness which may include additional data elements to  
5 be specified by the council sufficient to carry out its  
6 responsibilities under section 5(d)(4). The council may adopt  
7 a nationally recognized methodology of quantifying and  
8 collecting data on provider quality and provider service  
9 effectiveness until such time as the council has the  
10 capability of developing its own methodology and standard  
11 data elements. The council shall include in the Pennsylvania  
12 Uniform Claims and Billing Form a field consisting of the  
13 data elements required pursuant to subsection (c)(21) to  
14 provide information on each provision of covered services  
15 sufficient to permit analysis of provider quality and  
16 provider service effectiveness within 180 days of  
17 commencement of its operations pursuant to section 4.

18 (2) Health maintenance organizations.--In order to  
19 comparably measure performance of health maintenance  
20 organizations, the council has the following powers and  
21 duties:

22 (i) To establish and implement a system to  
23 comparatively evaluate the quality of care outcomes and  
24 performance measurements of health maintenance  
25 organizations on an objective basis. This subparagraph  
26 includes, but is not limited to, surveying patient  
27 satisfaction and assessing health maintenance  
28 organizations' clinical and service performance for:

29 (A) information and communication;

30 (B) treatment;

1                   (C) preventive care;

2                   (D) services for individuals with special needs;

3                   (D) referrals; and

4                   (E) options available to patients.

5                   (ii) To contract with a private nonprofit entity  
6                   with experience in measuring health maintenance  
7                   organizations' clinical and service performance to  
8                   develop the system under subparagraph (i). An insurer may  
9                   not be a contracting entity under this subparagraph.

10                   (iii) To ensure coordination with evaluations  
11                   performed by private sector accrediting organizations and  
12                   the Department of Health.

13                   \* \* \*

14                   Section 2. Section 7(a) of the act is amended by adding a  
15 paragraph to read:

16                   Section 7. Data dissemination and publication.

17                   (a) Public reports.--Subject to the restrictions on access  
18 to council data set forth in section 10 and utilizing the data  
19 collected under section 6 as well as other data, records and  
20 matters of record available to it, the council shall prepare and  
21 issue reports to the General Assembly and to the general public,  
22 according to the following provisions:

23                   \* \* \*

24                   (5) The council shall, for every health maintenance  
25                   organization in this Commonwealth, prepare and issue an  
26                   annual report to assist consumers, purchasers and providers  
27                   with a comparison of health plan performance. Wherever  
28                   possible, the council may coordinate its work with existing  
29                   health plan performance measurement efforts developed by  
30                   other State agencies or private sector accrediting

1 organizations. The annual report shall include, but is not  
2 limited to, information in the following areas:

3 (i) Availability and appropriateness of services and  
4 treatment provided to enrollees.

5 (ii) Availability and appropriateness of preventive  
6 care provided to enrollees.

7 (iii) Availability and appropriateness of services  
8 provided to enrollees with ongoing and/or severe medical  
9 needs as well as those with special needs.

10 (iv) Enrollee satisfaction, including access to  
11 specialty care and services, satisfaction with network  
12 adequacy and health plan materials.

13 (v) Licensure and accreditation status.

14 \* \* \*

15 Section 3. The act is amended by adding a section to read:  
16 Section 16.1. Fees.

17 For purposes of implementing section 7(a)(5) the council  
18 shall assess a fee on all health maintenance organizations based  
19 on the ratio of each health maintenance organization's total  
20 premiums collected in this Commonwealth to the total collected  
21 premiums of all health maintenance organizations in this  
22 Commonwealth. The fees shall be deposited in the General Fund in  
23 a restricted account to be known as the Health Maintenance  
24 Organization Reports Restricted Account from which money shall  
25 be appropriated annually by the General Assembly for the  
26 purposes set forth in section 7(a)(5).

27 Section 4. This act shall take effect in 60 days.