

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1857 Session of  
1995

INTRODUCED BY VEON, DeWEESE, BELARDI, CORRIGAN, ROONEY, KING,  
JOSEPHS, MANDERINO, TRELLO, STABACK, OLASZ, YOUNGBLOOD, MELIO  
AND LAUGHLIN, JUNE 21, 1995

REFERRED TO COMMITTEE ON HEALTH AND HUMAN SERVICES,  
JUNE 21, 1995

AN ACT

1 Amending the act of December 29, 1972 (P.L.1701, No.364),  
2 entitled "An act providing for the establishment of nonprofit  
3 corporations having the purpose of establishing, maintaining  
4 and operating a health service plan; providing for  
5 supervision and certain regulations by the Insurance  
6 Department and the Department of Health; giving the Insurance  
7 Commissioner and the Secretary of Health certain powers and  
8 duties; exempting the nonprofit corporations from certain  
9 taxes and providing penalties," further providing for  
10 grievance procedures.

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

13 Section 1. Section 10(e) of the act of December 29, 1972  
14 (P.L.1701, No.364), known as the Health Maintenance Organization  
15 Act, amended December 19, 1980 (P.L.1300, No.234), is amended  
16 and the section is amended by adding a subsection to read:

17 Section 10. Supervision.--\* \* \*

18 [(e) A health maintenance organization shall establish and  
19 maintain a grievance resolution system satisfactory to the  
20 secretary, whereby the complaints of its subscribers may be  
21 acted upon promptly and satisfactorily.]

1       (e.1) The Department of Health shall develop a binding and  
2 uniform grievance procedure for all consumer and provider  
3 grievances against a health maintenance organization. The  
4 procedure shall include provisions to address grievances against  
5 any subcontractor of a health maintenance organization which  
6 assumes financial risk for managing the care of a health  
7 maintenance organization member or otherwise controls or  
8 approves the utilization of services by a health maintenance  
9 organization member. All health maintenance organizations  
10 operating within this Commonwealth shall annually report to the  
11 Department of Health on all grievances filed against the health  
12 maintenance organization and its subcontractors, and such report  
13 shall contain the current status of all grievances. This annual  
14 report shall be made available to the public and shall be  
15 annually provided by each health maintenance organization to its  
16 members.

17       \* \* \*

18       Section 2. This act shall take effect in 60 days.