

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2122 Session of
2001

INTRODUCED BY BROWNE, ARGALL, BELARDI, BENNINGHOFF, CAPPELLI,
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WATERS, WATSON, C. WILLIAMS, WILT, WOJNAROSKI, YOUNGBLOOD,
YUDICHAK AND ZUG, NOVEMBER 13, 2001

AS REPORTED FROM COMMITTEE ON HEALTH AND HUMAN SERVICES, HOUSE
OF REPRESENTATIVES, AS AMENDED, APRIL 10, 2002

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 DEFINITIONS, for data submission and collection and for <—
9 data dissemination and publication. ~~providing for fees; and~~ <—
10 ~~establishing the Health Maintenance Organization Reports~~
11 ~~Restricted Account.~~

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

14 Section 1. Section 3 of the act of July 8, 1986 (P.L.408,
15 No.89), known as the Health Care Cost Containment Act, reenacted
16 and amended June 28, 1993 (P.L.146, No.34), is amended by adding
17 a definition to read:

18 Section 3. Definitions.

1 The following words and phrases when used in this act shall
2 have the meanings given to them in this section unless the
3 context clearly indicates otherwise:

4 * * *

5 "Enrollee." A policyholder, subscriber, covered person or
6 other individual who is entitled to receive health care services
7 under an HMO plan.

8 * * *

9 ~~Section 2. Sections 4(b) and 6(d) of the act are amended to~~ <—
10 ~~read:~~

11 ~~Section 4. Health Care Cost Containment Council.~~

12 ~~* * *~~

13 ~~(b) Composition. The council shall consist of 21 voting~~
14 ~~members, composed of and appointed in accordance with the~~
15 ~~following:~~

16 ~~(1) The Secretary of Health.~~

17 ~~(1.1) The Physician General.~~

18 ~~(2) The Secretary of Public Welfare.~~

19 ~~(3) The Insurance Commissioner.~~

20 ~~(4) [Six] Four representatives of the business~~
21 ~~community, at least one of whom represents small business,~~
22 ~~who are purchasers of health care as defined in section 3,~~
23 ~~none of which is primarily involved in the provision of~~
24 ~~health care or health insurance, [three] two of which shall~~
25 ~~be appointed by the President pro tempore of the Senate and~~
26 ~~[three] two of which shall be appointed by the Speaker of the~~
27 ~~House of Representatives from a list of twelve qualified~~
28 ~~persons recommended by the Pennsylvania Chamber of Business~~
29 ~~and Industry. Three nominees shall be representatives of~~
30 ~~small business.~~

1 ~~(5) [Six] Four representatives of organized labor,~~
2 ~~[three] two of which shall be appointed by the President pro~~
3 ~~tempore of the Senate and [three] two of which shall be~~
4 ~~appointed by the Speaker of the House of Representatives from~~
5 ~~a list of twelve qualified persons recommended by the~~
6 ~~Pennsylvania AFL-CIO.~~

7 ~~(6) [One representative of consumers who is] Four~~
8 ~~representatives of consumers who are not primarily involved~~
9 ~~in the provision of health care or health care insurance,~~
10 ~~appointed by the Governor from a list of [three] six~~
11 ~~qualified persons recommended jointly by the [Speaker]~~
12 ~~Majority Leader and Minority Leader of the House of~~
13 ~~Representatives and the [President pro tempore] Majority~~
14 ~~Leader and Minority Leader of the Senate.~~

15 ~~(7) One representative of hospitals, appointed by the~~
16 ~~Governor from a list of three qualified hospital~~
17 ~~representatives recommended by the Hospital Association of~~
18 ~~Pennsylvania. The representative under this paragraph may~~
19 ~~appoint two additional delegates to act for the~~
20 ~~representative only at meetings of committees, as provided~~
21 ~~for in subsection (f).~~

22 ~~(8) One representative of physicians, appointed by the~~
23 ~~Governor from a list of three qualified physician~~
24 ~~representatives recommended jointly by the Pennsylvania~~
25 ~~Medical Society and the Pennsylvania Osteopathic Medical~~
26 ~~Society. The representative under this paragraph may appoint~~
27 ~~two additional delegates to act for the representative only~~
28 ~~at meetings of committees, as provided for in subsection (f).~~

29 ~~(9) One representative of the Blue Cross and Blue Shield~~
30 ~~plans in Pennsylvania, appointed by the Governor from a list~~

1 ~~of three qualified persons recommended jointly by the Blue~~
2 ~~Cross and Blue Shield plans of Pennsylvania.~~

3 ~~(10) One representative of commercial insurance~~
4 ~~carriers, appointed by the Governor from a list of three~~
5 ~~qualified persons recommended by the Insurance Federation of~~
6 ~~Pennsylvania, Inc.~~

7 ~~(11) One representative of health maintenance~~
8 ~~organizations, appointed by the Governor from a list of three~~
9 ~~qualified persons recommended by the Pennsylvania Association~~
10 ~~of Health Maintenance Organizations.~~

11 ~~(12) In the case of each appointment to be made from a~~
12 ~~list supplied by a specified organization, it is incumbent~~
13 ~~upon that organization to consult with and provide a list~~
14 ~~which reflects the input of other equivalent organizations~~
15 ~~representing similar interests. Each appointing authority~~
16 ~~will have the discretion to request additions to the list~~
17 ~~originally submitted. Additional names will be provided not~~
18 ~~later than 15 days after such request. Appointments shall be~~
19 ~~made by the appointing authority no later than 90 days after~~
20 ~~receipt of the original list. If, for any reason, any~~
21 ~~specified organization supplying a list should cease to~~
22 ~~exist, then the respective appointing authority shall specify~~
23 ~~a new equivalent organization to fulfill the responsibilities~~
24 ~~of this act.~~

25 ~~* * *~~

26 SECTION 2. SECTION 6(D) OF THE ACT IS AMENDED TO READ:

27 Section 6. Data submission and collection.

28 * * *

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

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

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

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

28 (A) information and communication;

29 (B) treatment;

30 (C) preventive care;

1 (D) services for individuals with special needs;
2 (E) referrals; and
3 (F) options available to patients.

4 (ii) In carrying out its responsibilities, the
5 council shall not require health maintenance
6 organizations to report on additional data elements that
7 are not reported to nationally recognized accrediting
8 organizations or to the Department of Health or the
9 Insurance Department in quarterly or annual reports.
10 Furthermore, the council shall not require reporting by
11 HMOs in different formats than are required for reporting
12 to nationally recognized accrediting organizations or on
13 quarterly or annual reports submitted to the Department
14 of Health or the Insurance Department as required by
15 regulations of either department. The council may adopt
16 the quality findings as reported to nationally recognized
17 accrediting organizations.

18 * * *

19 Section 3. Section 7(a) of the act is amended by adding a
20 paragraph to read:

21 Section 7. Data dissemination and publication.

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

28 * * *

29 (5) (i) The council shall, for every health maintenance
30 organization in this Commonwealth, prepare and issue an

1 annual report to assist consumers, purchasers and
2 providers with a comparison of health plan performance.
3 The council shall coordinate its work with existing
4 health plan performance measurement efforts developed by
5 other State agencies or nationally recognized accrediting
6 organizations. The annual report shall include, but is
7 not limited to, information in the following areas:

8 (A) Availability and appropriateness of services
9 and treatment provided to enrollees.

10 (B) Availability and appropriateness of
11 preventive care provided to enrollees.

12 (C) Availability and appropriateness of services
13 provided to enrollees with ongoing and/or severe
14 medical needs as well as those with special needs.

15 (D) Enrollee satisfaction, including access to
16 specialty care and services, satisfaction with
17 network adequacy and health plan materials.

18 (E) Licensure and accreditation status.

19 (ii) The council shall ensure that HMOs have an
20 opportunity to review the annual report at least 45 days
21 prior to public release.

22 * * *

23 Section 4. This act shall take effect in 180 days.