

1 Public Protection Cabinet

2 Department of Insurance

3 Division of Health and Life Insurance and Managed Care

4 (Amendment)

5 806 KAR 17:300. Provider agreement and risk-sharing agreement filing requirements.

6 RELATES TO: KRS 304.17A-150, 304.17A-235, 304.17A-500, 304.17A-527, 304.17A-  
7 530,304.17A-532, 304.17A-560, 304.17A-575, 304.17A-578, 304.17A-728, 304.17C-060, 304.17C-070,  
8 304.99

9 STATUTORY AUTHORITY: KRS 304.2-110(1), 304.17A-527(1), 304.17C-060(1)

10 NECESSITY, FUNCTION, AND CONFORMITY: KRS 304.2-110(1) authorizes the  
11 Commissioner [~~executive director~~] to promulgate reasonable administrative regulations necessary to the  
12 effectuation of any provision of the Kentucky Insurance Code. KRS 304.17A-527(1) and KRS 304.17C-  
13 060(1) authorize [~~require~~] the Commissioner [~~Department~~] to promulgate administrative regulations  
14 regarding the manner and form of required filings of sample copies of provider agreements. This  
15 administrative regulation establishes the filing requirements of provider agreements, subcontract  
16 agreements, and risk sharing arrangements.

17 Section 1. Definitions.

18 (1) "Provider agreement" means a contract between an insurer offering a  
19 managed care plan and a provider for the provision of health care services.

20 (2) "Subcontract agreement" means a contract for the provision of health care services to:

- 1 (a) An enrollee, which shall be [is] negotiated between a participating health care provider with a
- 2 managed care plan and a nonparticipating provider with a managed care plan; or
- 3 (b) A covered person, which shall be [is] negotiated between a risk sharing entity through a risk sharing
- 4 arrangement, as identified in KRS 304.17A-500(13), and a provider.

5 Section 2. Filing Requirements. (1) An insurer, managed care plan, and limited health service

6 benefit plan shall file a sample copy of the following with the commissioner at least sixty (60) days

7 before its use:

- 8 (a) Provider agreement;
- 9 (b) Risk sharing arrangement; and
- 10 (c) Subcontract agreement.

11 (2) A filing pursuant to subsection (1) of this section shall:

- 12 (a) Include:
  - 13 1. A compensation arrangement, including a description of the:
    - 14 a. Payment methodology; and
    - 15 b. Payor as defined in the agreement;
  - 16 2. Any attachment, exhibit, or addendum to the items listed in subsection (1) of this section;
  - 17 3. A completed and signed Face Sheet and Verification Form HIPMC-F1, incorporated by reference
  - 18 in 806 KAR 14:007 [~~17:005~~]; and
  - 19 4. A filing fee, including:
    - 20 a. Twenty-five (25) dollars for a provider agreement or subcontract agreement filing; or
    - 21 b. Fifty (50) dollars for a risk sharing arrangement filing; and
- 22 (b)1. Not be considered complete until the information required by paragraph (a) of this subsection is
- 23 received by the department; and
- 24 2. Be disapproved if a complete filing is not received within sixty (60) days of the date of filing.

1 (3) If a managed care plan, insurer, or limited health service benefit plan amends an existing provider  
2 agreement, subcontract agreement, or risk sharing agreement that was previously filed with the  
3 commissioner, affecting any requirements of this administrative regulation, the managed care plan shall  
4 submit:

5 (a) An amended filing at least sixty (60) days before its use; and

6 (b) A letter that identifies and explains each amendment.

7 (4) The failure of a managed care plan, insurer, or limited health service benefit plan to file a sample  
8 copy of a provider agreement, subcontract agreement, or risk sharing agreement may result in  
9 imposition of a civil penalty in accordance with KRS 304.99.

10 (5) An insurer issuing, delivering, or renewing a limited health service benefit plan shall complete  
11 and attach Form HL-F11, Health Summary Sheet – Form Filings, incorporated by reference in 806 KAR  
12 14:007 [HIPMC-F37, Limited Health Service Benefit Plan Summary Sheet – Form Filings (07/02)], to  
13 each limited health service benefit plan filed with the commissioner.

14 Section 3. Provider Agreement Requirements. (1) The sample copy of a provider agreement for an  
15 insurer or managed care plan filed with the commissioner shall:

16 (a) Comply with the requirements of KRS 304.17A-527(1);

17 (b) Comply with the requirements of KRS 304.17A-728; ~~and~~

18 (c) Comply with the requirements of KRS 304.12-237, as applicable; and

19 (d) Not include a:

20 1. Most-favored nation provision in accordance with KRS 304.17A-560;

21 2. Limitation on disclosure provision in accordance with KRS 304.17A-530;

22 3. Condition of participation provision in accordance with KRS 304.17A-150(4); and

23 4. Mandatory use of hospitalist provision in accordance with KRS 304.17A-532(2).

24 (2) The sample copy of a provider agreement for a limited health service benefit plan filed with

1 the commissioner shall:

2 (a) Comply with the requirements of KRS 304.17C-060(1);

3 (b) Be governed by Kentucky law; and

4 (c) Not include a limitation on disclosure provision in accordance with KRS 304.17C-070.

5 Section 4. Subcontract Agreement Requirements. A sample copy of a subcontract agreement that  
6 is part of a provider agreement or risk sharing arrangement shall:

7 (1) Be filed with the commissioner by the managed care plan, limited health service benefit plan, or  
8 insurer in conjunction with the provider agreement or risk sharing arrangement;

9 (2) Meet applicable requirements of Section 3 of this administrative regulation; and

10 (3) Meet the requirements of KRS 304.17A-527(2) or 304.17C-060(3), as applicable.

11 Section 5. Risk Sharing Arrangement Requirements. (1) The sample copy of a risk sharing ar-  
12 rangement filed with the commissioner shall:

13 (a) Meet the requirements of Section 3 of this administrative regulation;

14 (b) Include a Risk Sharing Arrangement Information Sheet, HIPMC-R1, incorporated by reference in  
15 Section 6 of this administrative regulation [~~incorporated by reference in 806 KAR 17:005~~]; and

16 (c) Meet the requirements of KRS 304.17A-527(2) or 304.17C-060(3), as applicable.

17 (2) On or before September 1 of each calendar year, an insurer, managed care plan, or limited health  
18 services benefit plan shall file with the commissioner the HIPMC-R1, incorporated by reference in Section 6  
19 of this administrative regulation [~~806 KAR 17:005~~], for each risk sharing arrangement currently effective.

20 Section 6. Incorporation by Reference. (1) HIPMC-R1, Risk Sharing Arrangement Information Sheet,  
21 10/2021 [~~"Limited Health Service Benefit Plan Summary Sheet – Form Filings HIPMC-F37", 07/18~~], is  
22 incorporated by reference.

1 (2) This material may be inspected, copied, or obtained, subject to applicable copyright law, at the  
2 Kentucky Department of Insurance, The Mayo-Underwood Building, 500 Mero Street [~~215 West Main~~  
3 ~~Street~~], Frankfort, Kentucky 40601, Monday through Friday, 8 a.m. to 4:30 p.m. Forms may also be obtained  
4 on the department's Web site at <https://insurance.ky.gov/ppc/CHAPTER.aspx> [~~<http://insurance.ky.gov>~~].