

SENATE BILL 2717

By Swann

AN ACT to amend Tennessee Code Annotated, Title 29,
relative to civil actions for unauthorized physician
charges.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 29, is amended by adding the following
new chapter:

29-40-101.

This chapter shall be known and may be cited as the "Unauthorized Charges
Recovery Act."

29-40-102.

There is no private right of action to collect unauthorized physician charges from
a patient.

29-40-103.

For purposes of this section:

(1) "Covered person" means an individual entitled to benefits under a
managed health insurance plan;

(2) "Managed health insurance plan" means a health insurance plan as
defined in § 56-60-102 providing coverage through one (1) or more networks of
healthcare providers who have contracted to provide services in return for
reimbursement as stated in the contract;

(3) "Physician" means an individual licensed as a medical doctor under
title 63, chapter 6, or as an osteopathic physician under title 63, chapter 9; and

(4) "Unauthorized physician charges" means charges billed by a physician for professional services provided to or for the benefit of a covered person when:

(A) The professional services are provided in connection with a non-emergent scheduled procedure or test at a facility licensed under title 68;

(B) The facility at which the services are provided has made arrangements for the services to be provided by the physician;

(C) The physician is not in the provider network for the covered person's managed health insurance plan;

(D) The covered person or an authorized representative has not authorized in writing the amount of the charges or a good faith estimate of the amount of the charges prior to the services being provided; and

(E) The charges exceed the medicare allowable reimbursement rate for the services on which the charges are based.

SECTION 2. This act shall take effect upon becoming law, the public welfare requiring it, and shall apply to services rendered that may result in unauthorized physician charges on or after that date.