Insurance Dept.

General Agency, Board or Commission Rules

Chapter 13: Health Maintenance Organizations

Effective Date: 12/31/1996 to Current

Rule Type: Current Rules & Regulations

Reference Number: 044.0002.13.12311996

CHAPTER 13
REGULATION GOVERNING HEALTH MAINTENANCE ORGANIZATIONS

Section 1. **Authority**

These rules and regulations governing health maintenance organizations are promulgated by authority of and pursuant to the Wyoming Administrative Procedure Act and Sections 26-2-110, and 26-34-120 of the Wyoming Insurance Code.

Section 2. **Purpose**

The purpose of these rules and regulations is to implement Chapter 34 of the Wyoming Insurance Code.

Section 3. **Standards**

(a) The health maintenance organization shall develop and institute health care services which assure the enrollees adequate medical care which is available and accessible in accordance with the enrollees' plan.

(b) A progressive, preventive health program is required which is developed according to the prevailing health factors predominate in the enrollee population.

(c) In reviewing material submitted, the commissioner will recognize that there are differences between the practices and procedures of a group practice and that of an individual practice arrangement, that either arrangement can be utilized in an HMO setting and that these differences will necessarily affect the structure and operation of an HMO.

Section 4. **Definitions**

Terms used shall have the same meaning as defined by Sections 26-1-102 and 26-34-102 of the Wyoming Insurance Code and are herein clarified accordingly. Terms used herein, which are not defined by the Wyoming Insurance Code, are defined as follows:

(a) "Inpatient medical care" shall include, but is not limited to, medical and surgical care received in a hospital environment;

(b) "Outpatient services" means those services which may be rendered in, but are not limited to clinics, private offices, and hospital based outpatient services as a minimum, and may include but are not limited to surgery centers, radiation therapy centers, and nursing homes;

(c)"Medical director" means a physician licensed to practice in the State of Wyoming; and

(d) "Certification" means approval by a branch of the Federal government to perform reimbursable services.

Section 5. **Organization**

(a) The HMO will be organized in a manner which allows attainment of its stated mission which as a minimum, shall be to provide and/or to cause to be provided:

(i) Emergency care;

(ii) Inpatient hospital and medical-surgical care; and

(iii) Outpatient services.

(b) A governing body, person, or persons legally responsible for the operation of the HMO shall provide for the following:

(i) A copy of the agreement, contract, or policy which the HMO proposes to issue to subscribers which describes the scope of the health care services it renders as permitted by law to enrollees either directly by a medical staff or through arrangements with others;

(ii) The names of all physicians and providers giving their license number, if required by the Department of Health and Social Services, Division of Health and Medical Services, business address, specialty where applicable, certification of eligibility, and medical or hospital staff privileges of hospitals used or by which the HMO has a contractual agreement;

(iii) The maintenance of a list of the above information;

(iv) The appointment of a chief executive officer either full-time or part-time in accordance with the demands of that office;

(v) The appointment of a medical director either full-time or part-time in accordance with the demands of that office. The medical direction may serve as the chief of the medical staff. Medical staff bylaws, rules, or regulations, are required to include provisions for the delivery of health services by physicians and professional health care providers, licensed or duly authorized to practice in the State of Wyoming. Other providers, as required, to support the medical staff must be available in order to assure that the enrollee receives health care services with continuity and without unreasonable periods of delay; and

(vi) An ongoing procedure and program to monitor effectively the quality of the health care requirements set forth herein. The treatment outcome shall include, but is not limited to, a procedure for peer review.

Section 6. **Facilities and Environment**

(a) Facilities owned and/or operated by the HMO shall have sufficient equipment for examination and treatment in accordance with enrollee contracts.

(b) If all or part of the HMO services are to be performed by contract with providers of service, the following shall pertain:

(i) Said providers of service shall be licensed or registered according to applicable state and local laws;

(ii) Said providers of service which have no licensure requirements may be certified for participation in a Federal program. In the event that the providers are not certified or licensed pursuant to State or Federal law, then an acceptable quality control program must be maintained; and

(iii) Said services being contracted must be clearly identifiable listing the name and location of the facility or facilities of the contract providers and listing the services offered at each location and the service hours.

Section 7. **Services**

The requirements of this section are applicable to the categories of services listed as available under the health care plan. The HMO may wish to provide such services directly or arrange for their provision according to the specific requirement of the plan, provided the commissioner may waive or modify such requirements if inapplicable to a particular HMO's operation.

(a) Emergency service must be provided on a twenty-four (24) hour basis.

(b) Inpatient hospital and medical care which shall mean acute care hospital services, including, but not limited to, a semi-private room with customary furnishings and equipment, meals (including special diets as medically necessary), general nursing care, use of operating room and related facilities, intensive care unit and services, drugs, medications, biologicals, anesthesia and oxygen services, diagnostic laboratory and x-ray services, special duty nursing as medically necessary, physical therapy, respiratory therapy, administration of blood and blood products, and other diagnostic, therapeutic and rehabilitative services as appropriate, and coordinated discharge planning including the planning of such continuing care as may be necessary, both medically and as a means of preventing possible early rehospitalization and which shall be available on a twenty-four (24) hour basis.

(c) Outpatient services:

(i) Ambulatory outpatient services shall be provided, which shall include diagnostic and treatment services, physical therapy, speech therapy, occupational therapy services as appropriate, and those hospital services which can reasonably be provided on an ambulatory basis. Such services may be provided at a hospital, any other appropriate licensed facility, or any appropriate facility which is not required by law to be licensed, if the professionals delivering such services are licensed to practice, are certified, or practice under the authority of the plan, medical group, or individual practice association or other authority authorized by applicable Wyoming law.

(ii) The outpatient services shall, as a minimum, have an ongoing preventive health program which shall include, under a physician's or other appropriate licensed provider's supervision:

(A) Reasonable health appraisal examinations on a periodic basis;

(B) A variety of voluntary family planning services;

(C) Prenatal care;

(D) Vision and hearing testing for persons through age sixteen (16);

(E) Immunizations for children in accordance with the recommendations of the American Academy of Pediatrics and immunizations for adults as recommended by the U.S. Public Health Service;

(F) Venereal disease tests;

(G) Cytology examinations on a reasonable periodic basis; and

(H) Effective health education services, including information regarding personal health behavior and health care, and recommendations regarding the optimal use of health care services provided by the plan or health care organizations affiliated with the plan.

(iii) Diagnostic laboratory services shall be available by either of the following methods:

(A) If provided in house by the HMO, laboratory services shall be under the direction of a qualified physician and shall participate successfully in all proficiency testing programs offered by the Department of Health and Social Services in those specialties in which the HMO laboratory performs examinations; or

(B) If provided by service contract, the laboratory service may be certified as an independent laboratory in the Medicare Program, or it must maintain an acceptablequality control program.

(iv) Diagnostic and therapeutic radiological services must be provided by the HMO as specified in the plan. The services may be offered by contract and shall be under the direction of a qualified physician.

(v) Pharmacy services:

(A) The plan of pharmacy services provided by the HMO shall assure quality and accessibility.

(B) Pharmacy services to enrollees shall be provided either directly by a licensed staff pharmacist or pharmacy through arrangements with qualified pharmacies, pharmacists, or by a qualified service agency.

(C) The plan of pharmacy services provided by a service agency shall be by contract with an agency administrator capable of performing drug utilization review and claims processing, and shall assure quality and accessibility.

(vi) Other services shall be available in accordance with those specified in the plan.

Section 8. **Accessibility of Services**

(a) Within each service area of a plan, basic health care services and specialized health care services shall be readily available and accessible to each of the plan's enrollees.

(b) The location of facilities providing the primary health care services of the plan shall be within reasonable proximity of the business or personal residences of enrollees, and so located as to not result in unreasonable barriers to accessibility.

(c) Hours of operation and provision for after-hour services shall be reasonable.

(d) Emergency health care services shall be available and accessible within the service area twenty-four (24) hours a day, seven (7) days a week.

(e) The ratio of enrollees to staff, including health professionals, administrative and other supporting staff, directly or through referrals, shall be such as to reasonably assure that all services offered by the plan will be accessible to enrollees on an appropriate basis without delays detrimental to the health of the enrollees.

(f) A plan shall provide accessibility to medically required specialists who are certified or eligible for certification by the appropriate specialty board, through staffing, contracting, orreferral.

Section 9. **Medical Records**

(a) Medical records shall be maintained by HMO or the appropriate physician and provider of service.

(b) Arrangements shall be made for the sharing of pertinent medical records between physicians and providers within the HMO, while assuring the records' confidentiality.

Section 10. **Statistical Information**

The HMO will compile, develop, evaluate, and report statistics relating to the cost of operation, the pattern of utilization of services, the accessibility, and availability of the services. Sufficient information shall be maintained to support continuity and adequate quality of care to the enrollees.

(a) The HMO shall maintain a membership file which shall include:

(i) Name of the individual;

(ii) Name and address of the subscriber;

(iii) Family number;

(iv) Individual's identification number;

(v) Date of birth;

(vi) Sex;

(vii) Coverage or method of payment;

(viii) Insurance certificate number or contract number;

(ix) Entry date and reason, if available;

(x) Exit date and reason, if available;

(xi) Date of most recent verification of information; and

(xii) Such other information as the commissioner or the administrator may require.

Section 11. **Annual Statement**

On or before March 1 of each year, each authorized health maintenance organization shall file with the commissioner, with a copy to the administrator, a full and true statement of its financial condition, transactions and affairs as of December 31 immediately preceding. The statement shall be in the general form and context of, and require information as called for by, the form of annual statement for health maintenance organizations as prescribed by the National Association of Insurance Commissioners, together with any modification the commissioner may require. The statement shall be verified by the oath of the organization's president or vice president and secretary or actuary as applicable.

Section 12. **Complaint Investigation**

A complaint investigation procedure shall be implemented which assures:

(a) A mechanism through which written enrollee complaints may be filed and presented by the enrollee or his authorized representative;

(b) The source of the complaint, and the date filed;

(c) A written review of the complaint;

(d) Provision for informal discussions, consultations or conferences between the complainant and a person of authority to resolve or recommend the resolution of the complaint within thirty (30) days;

(e) A description of the conclusions and results; and

(f) Maintenance of a file for all written complaints for annual review by the commissioner or the administrator.

Section 13. **Reimbursement for Emergency Care**

The HMO will provide a mechanism to provide for the assurance of reimbursement for emergency care during periods of time the enrollee is out of the HMO service area as specified in their plan.

Section 14. **Licensing and Regulations of Agents; General**

No person may hold himself out to be an HMO agent or perform the acts of an HMO agent within this state unless such person:

(a) Has a valid disability agent's license authorizing him to write disability insurancesubject to all applicable provisions of Chapter 9 of the Wyoming Insurance Code pertaining to disability agents.

(b) Has an appointment by an HMO with a valid Wyoming Certificate of Authority.

Section 15. **Penalties**

Any violation of these regulations shall be punishable under the provisions of Sections 26-1-107, 26-34-118, and 26-34-123 of the Wyoming Insurance Code.

Section 16. **Effective Date**

These regulations shall be effective immediately upon filing with the Secretary of State's office.

STATEMENT OF PRINCIPAL REASONS

FOR

Amendments to Chapter 13 of Wyoming Insurance Department Regulation

Regulation Governing Health Maintenance Organizations

The purpose of these regulations is to implement Chapter 34 of the Wyoming Insurance Code; "The Health Maintenance Organization Act of 1995."

The primary purpose of these amendments is to correct citings in **Section 1. Authority,** to the Wyoming Insurance Code which have no applicability to the Regulation. W.S. § 26-34-103(e) refers to the commissioner promulgating rules and regulations exempting from the filing requirements under certificate of authority and W.S. § 26-34-115. refers to uncovered expenditures insolvency deposit. Nothing in the Regulation promulgates rules affecting these two areas.

Section 14. **Certificate of need** is eliminated in its entirety as the certificate of need process was repealed in 1986. Subsequent sections are renumbered, accordingly.

Additional amendments to this Chapter are to change the chapter numbering and the chapter pagination.

Presently the Chapter is designated by the *Roman* number symbol "XIII." It will be amended to be designated by the *Arabic* number symbol "13."

Pagination of the chapter will be amended from the present continuous and sequential numbering from chapter-to-chapter, to chapter-specific numbering. As an example, each page will be designated first

by a chapter number and then page number, as in 13-1, 13-2, 13-3, etc. Amending the method by which the pages are numbered will allow for simpler amendments in the future, and for easier reader identification of the chapter and pages with which they are concerned.