

304.17A-728 Contract disclosures of discounted fees -- Violation is unfair claims settlement practice.

- (1) A provision identifying the products and markets applicable to any discount as provided in the contract shall be required of all contracts with a:
 - (a) Provider or an organization of providers; or
 - (b) Preferred provider organization that has a network of preferred providers and the organization has contracted with the health care preferred provider.
- (2) An insurer or entity shall not reimburse on a discounted fee basis unless the disclosure is provided in the contract with:
 - (a) A provider or organization of providers; or
 - (b) An organization that has a network of preferred providers and the insurance entity has the written consent of the health care preferred providers.
- (3) An insurer or entity under contract with the insurer who violates this section commits an unfair claims settlement practice violation under Subtitle 12 of KRS Chapter 304, and is also subject to administrative penalties under Subtitle 99 of KRS Chapter 304.

Effective: July 14, 2000

History: Created 2000 Ky. Acts ch. 436, sec. 15, effective July 14, 2000.