

104TH CONGRESS
2^D SESSION

H. R. 3694

To prohibit insurers from offering monetary rewards, penalties, or inducements to licensed health care practitioners on the basis of the health care practitioners' decisions to limit the availability of appropriate medical tests, services, or treatments.

IN THE HOUSE OF REPRESENTATIVES

JUNE 20, 1996

Mr. NADLER introduced the following bill; which was referred to the
Committee on Commerce

A BILL

To prohibit insurers from offering monetary rewards, penalties, or inducements to licensed health care practitioners on the basis of the health care practitioners' decisions to limit the availability of appropriate medical tests, services, or treatments.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the "Health Care Integrity
5 Act of 1996".

1 **SEC. 2. REGULATIONS TO DETER REWARDS, PENALTIES OR**
2 **INDUCEMENTS TO LICENSED HEALTH CARE**
3 **PRACTITIONERS.**

4 (a) PROMULGATION OF REGULATIONS.—The Sec-
5 retary of Health and Human Services shall promulgate
6 regulations to ensure that an insurer not offer monetary
7 rewards, penalties, or inducements to a licensed health
8 care practitioner, or condition the continued participation
9 of a licensed health care practitioner in a plan on the basis
10 of the health care practitioner’s decisions to limit the
11 availability of appropriate medical tests, services, or treat-
12 ments.

13 (b) PENALTIES AND ENFORCEMENT.—

14 (1) PENALTIES.—An insurer that violates the
15 regulations described in subsection (a) shall be sub-
16 ject to a civil money penalty in an amount to be de-
17 termined by the Secretary of Health and Human
18 Services.

19 (2) ENFORCEMENT.—The provisions of section
20 1128A of the Social Security Act (42 U.S.C. 1320a-
21 7a) (other than subsections (a) and (b)) shall apply
22 to civil money penalties under this section in the
23 same manner as they apply to a penalty or proceed-
24 ing under section 1128A(a) of such Act.

25 **SEC. 3. DEFINITIONS.**

26 For purposes of this Act:

1 (1) INSURER.—The term “insurer” means an
2 insurance company, insurance service, or insurance
3 organization licensed to engage in the business of in-
4 surance in a State, and a health maintenance orga-
5 nization.

6 (2) HEALTH INSURANCE COVERAGE.—The term
7 “health insurance coverage” means any hospital or
8 medical service policy or certificate, hospital or medi-
9 cal service plan contract, or health maintenance or-
10 ganization contract offered by an insurer.

11 (3) HEALTH PLAN.—The term “health plan”
12 means a plan that provides health insurance cov-
13 erage.

14 (4) LICENSED HEALTH CARE PRACTITIONER.—
15 The term “licensed health care practitioner” has the
16 meaning given such term in section 431(6) of the
17 Health Care Quality Improvement Act of 1986
18 (Public Law 99–660; 42 U.S.C. 11151(6)).

19 (5) STATE.—The term “State” means each of
20 the 50 States, the District of Columbia, Puerto Rico,
21 the Northern Mariana Islands, the Virgin Islands,
22 American Samoa, and Guam.

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