
(a) A contract between a participating health care provider and a health care insurer must contain a provision that

   (1) provides for a reasonable mechanism to identify all medical care services to be provided by the health care insurer;

   (2) clearly states or references an attachment that states the health care provider’s rate of compensation;

   (3) clearly states all ways in which the contract between the health care provider and health care insurer may be terminated; a provision that provides for discretionary termination by either party must apply equitably to both parties;

   (4) provides that, in the event of a dispute between the parties to the contract, a fair, prompt, and mutual dispute resolution process must be used; at a minimum, the process must provide

       (A) for an initial meeting at which all parties are present or represented by individuals with authority regarding the matters in dispute; the meeting shall be held within 10 working days after the health care insurer receives written notice of the dispute or gives written notice to the provider, unless the parties otherwise agree in writing to a different schedule;

       (B) that if, within 30 days following the initial meeting, the parties have not resolved the dispute, the dispute shall be submitted to mediation directed by a mediator who is mutually agreeable to the parties and who is not regularly under contract to or employed by either of the parties; each party shall bear its proportionate share of the cost of mediation, including the mediator fees;

       (C) that if, after a period of 60 days following commencement of mediation, the parties are unable to resolve the dispute, either party may seek other relief allowed by law;

       (D) that the parties shall agree to negotiate in good faith in the initial meeting and in mediation;

   (5) states that a health care provider may not be penalized or the health care provider’s contract terminated by the health care insurer because the health care provider acts as an advocate for a covered person in seeking appropriate, medically necessary medical care services;

   (6) protects the ability of a health care provider to communicate openly with a covered person about all appropriate diagnostic testing and treatment options; and

   (7) defines words in a clear and concise manner.
(b) A contract between a participating health care provider and a health care insurer that offers a health care insurance policy may not contain a provision that

(1) has as its predominant purpose the creation of direct financial incentives to the health care provider for withholding covered medical care services that are medically necessary; nothing in this paragraph shall be construed to prohibit a contract between a participating health care provider and a health care insurer from containing incentives for efficient management of the utilization and cost of covered medical care services;

(2) requires the provider to contract for all products that are currently offered or that may be offered in the future by the health care insurer; or

(3) requires the health care provider to be compensated for medical care services performed at the same rate as the health care provider has contracted with another health care insurer.

(c) A health care insurer may not enter into a contract with a health care provider that requires the provider to indemnify or hold harmless the health care insurer for the acts or conduct of the health care insurer. An indemnification or hold harmless clause entered into in violation of this subsection is void.