



Protecting Patients Preserving Access

Prohibition of Unilateral Provider Contract Changes

H. 7862
S. 3089

Rep. Ackerman
Sen. Britto

The Issue

Rhode Island's healthcare providers, from hospitals to primary care doctors, **negotiate contracts with health insurers** that set the rules for coverage, reimbursement and many of the administrative requirements that affect how patients access care.

More recently, health insurers have begun making unilateral changes to contract policies, provider manuals and reimbursement rules. Providers often receive little notice and have limited ability to challenge these changes. When policies are modified midstream, services that were previously covered may suddenly be denied, **limiting patient access to care and leaving healthcare providers without reimbursement.**

What This Bill Does:

- **Prohibits unilateral mid-contract changes.**
Health insurers and affiliated entities may not unilaterally modify, amend, or reinterpret any material contract term.
- **Protects material terms and patient services.**
Clarifies that key elements of the provider agreement, including reimbursement, coverage rules, prior authorization, medical necessity, and billing requirements, are material and cannot be changed mid-contract.
- **Allows changes only in limited circumstances.**
Modifications are permitted only:
 - With mutual written agreement between payer and provider, or
 - When expressly required by state or federal law.
- **Requires advance notice at renewal.**
Changes may take effect only at contract renewal and only with at least 90 days' written notice.

Why It Matters

Protects access
to care

Reduces administrative
burden

Stabilizes costs