

3.8 Termination of Provider Agreements

Healthfirst or its participating providers may decide to terminate or elect not to renew a provider agreement. Termination procedures are subject to the provisions of the provider agreement. If there are conflicts between the provisions in this Provider Manual and any provider agreement, the terms of the provider agreement will apply.

Withdrawing from the Network

Providers who wish to withdraw from the Healthfirst network may request to do so by contacting their Healthfirst Network Management representative. Healthfirst will consider these requests on a case by case basis. Unless otherwise stated in the provider's contract with Healthfirst, Healthfirst must agree to allow the provider to withdraw from the Healthfirst network. If Healthfirst agrees, we will confirm our agreement in writing which will include the effect date that the provider will no longer participate in the Healthfirst network. Both Healthfirst and the provider must comply with the applicable transitional care requirements for members following the effective withdrawal date. If Healthfirst does not agree to the withdrawal, providers may non-renew their provider agreement as explained below.

Non-Renewals

Healthfirst or its participating providers may elect not to renew a provider agreement. **Exercising the option of non-renewal is not considered a termination of a provider agreement under Public Health Law Section 4406-d.** A non-renewal decision made by either Healthfirst or a participating provider requires at least 60 days written notice to the other party prior to the expiration date of the provider agreement or written notice as set forth in the provider's agreement with Healthfirst.

Immediate Termination

Consistent with Public Health Law Section 4406-d, Healthfirst reserves the right to terminate a provider contract immediately, based on the following:

- Final disciplinary action is taken by a state licensing board or governmental regulatory agency that impairs the provider's ability to practice
- There is a determination of fraud on the part of the provider made either by the Healthfirst Credentialing Subcommittee or another appropriate body
- Continuation of the provider's participation may cause imminent harm to members

Healthfirst may, at the sole discretion of the Healthfirst Medical Director, thereafter afford the provider an opportunity for a hearing in accordance with the procedures outlined below in the Section entitled "Termination for Cause."

All provider requests for a discretionary appeal must be in writing, submitted no less than 30 days after the date of the termination notice, and sent to the Legal Department's attention who will then deliver the request to the Medical Director. Best efforts will be used to by the Medical Director to make a determination and communicate this determination to the provider via letter within 30 days of receipt of the request.

In cases of immediate termination, Healthfirst will immediately close a provider's panel to new members. In addition, Healthfirst is not required to, and may not arrange for, post-termination continuation of care from any provider who is subject to immediate termination pending the outcome of a hearing, if one is so afforded to the provider.

Termination for Cause

Healthfirst reserves the right to terminate a provider's contract for cause upon 60 days prior written notice to the provider, or upon notice as set forth in the provider's agreement with Healthfirst, in the event of:

- Repeated failure to comply with quality assurance, peer review and utilization management

procedures

- Unprofessional conduct as determined by the appropriate state professional licensing agency
- Conviction for a criminal offense related to the practice of medicine or any felony unrelated to such practice, or any activity that would cause imminent harm or danger to a Healthfirst member
- Failure to comply with Healthfirst credentialing standards and procedures
- Revocation, reduction or suspension of privileges at any participating hospital or any hospital where the provider conducts his or her primary practice
- Discrimination against Healthfirst members as outlined in the Provider Agreement
- Engaging in abusive or improper billing practices

The Healthfirst Credentialing Subcommittee shall review all proposed provider terminations for cause. If the Credentialing Subcommittee's recommendation is to terminate a Provider Agreement, the provider shall receive a written Notice of Proposed Adverse Action which shall include the following information:

- The reason for the proposed termination
- Information about the provider's right to request a hearing before a panel appointed by Healthfirst
- A statement that the provider has 30 days to request a hearing from the date that Healthfirst mailed the Notice of Proposed Adverse Action
- A statement that Healthfirst will schedule a hearing within 30 days from the receipt of a provider's request for a hearing
- A summary of the provider's hearing rights

All terminations for cause shall be done in accordance with Public Health Law Section 4406-d(2). Under no circumstances will Healthfirst initiate termination or non-renewal actions against a provider solely because he/she has:

- Advocated on behalf of a member
- Filed a complaint against Healthfirst with state or federal regulatory bodies
- Appealed a decision made by Healthfirst
- Provided information, filed a report or requested a hearing or review

Please note: At any point the contractor may receive notice from the New York State Department of Health to terminate a provider contract. The provider will be subjected to the provisions outlined above.

Provider Hearings

Providers who receive a Notice of Proposed Adverse Action from Healthfirst recommending contract termination have the right to appeal the decision and request a hearing. All requests for a hearing must be made **in writing within thirty (30) days from the date the provider received the Notice of Proposed Adverse Action** at the following address:

Healthfirst Medical Director

100 Church Street

New York, New York 10007

A provider's failure to submit a request for a hearing within thirty (30) days will be deemed a waiver of any

appeal rights. The proposed termination will become final and the provider will not be afforded additional appeal rights.

Providers are encouraged to submit any additional documentation about his/her case together with the request for a hearing. If a hearing request is received, Healthfirst will schedule a hearing within thirty (30) days of the provider's written request for a hearing. The provider shall be further apprised, in writing, of the date, time and place of the hearing, and a list of witnesses, if applicable, that are expected to testify at the hearing on behalf of Healthfirst. Healthfirst will consider any reasonable requests to reschedule a hearing other than the date originally scheduled; however, repeated requests to reschedule a hearing will lead to a waiver of appeal rights. In addition, Healthfirst reserves the right to be represented by outside counsel at the hearing.

The hearing panel shall consist of three (3) individuals appointed by Healthfirst. Specifically, the hearing panel shall include the Healthfirst Medical Director, a provider in the same or similar medical specialty as the provider under review ("clinical peer"), and a third individual selected by Healthfirst. If Healthfirst selects a hearing panel that is larger than three (3) individuals, at least one-third of the panel's membership will be clinical peers. In addition, if the provider participates in Healthfirst's Medicare Advantage programs, the majority of the hearing panel members shall be clinical peers.

At least ten (10) days prior to the scheduled hearing, a provider should submit to Healthfirst a written summary of his/her position and a copy of any exhibits or additional evidence that will be presented at the hearing.

At the hearing, a provider will be afforded the following rights:

- To be present at the hearing and represented by legal counsel
- To present any additional evidence that is relevant to the provider's case without regard to its admissibility in a court of law
- To call, examine, or cross-examine any witnesses, all of whom will testify under oath
- To submit a written statement at the close of the hearing
- To have a copy of the record of the proceedings (at the provider's expense)

The hearing panel shall render a final decision either on the day of the hearing or within ten (10) business days. The hearing panel may uphold or reverse the underlying determination made by the Healthfirst Credentialing Subcommittee, or may conditionally reinstate the provider subject to certain conditions determined by the hearing panel. The provider shall be notified in writing of the hearing panel's decision within fifteen (15) business days from the date of the decision.

If termination is recommended, a provider's termination shall be effective no less than thirty (30) days after the provider's receipt of the hearing panel's decision. In no event shall termination be effective earlier than sixty (60) days from the provider's receipt of the initial notice of proposed termination.

Continuity of Care If a Provider Leaves the Healthfirst Network

Terminated or non-renewed providers are required under New York State law to continue a course of treatment until arrangements are made to transition the member's care to another provider. Specifically, providers are required to continue providing services to Healthfirst members for a period of ninety (90) days from the **date of the contract termination or nonrenewal** in accordance with Public Health Law Section 4403(6)(e). In the case of providers caring for members in the second trimester of pregnancy, the continuity of care/transition period extends through post-partum care directly related to the delivery. **Providers must continue to accept the Healthfirst reimbursement rates set forth in the provider agreement and to comply with Healthfirst policies and procedures during the continuity of care period.** Additional information on continuity of care is found in Section 12.

Notification to Members in Cases of Provider Termination

Healthfirst sends written notice to members of provider termination in accordance with applicable law. The notice will inform the member of the effective date of the provider's termination and advises members of procedures for selecting a new PCP within Healthfirst's network. When a PCP leaves the network, Healthfirst reassigns the provider's members to another PCP. Members have the option to change the new provider assignment by calling the Member Services Department and selecting a provider of their choice.

Healthfirst's Duty to Report

Healthfirst is legally obligated to report to the appropriate state professional disciplinary agencies as well as the National Practitioner Data Bank under the following circumstances:

- The termination of a provider's contract for reasons related to alleged mental or physical impairment, misconduct or impairment of a member's safety or welfare
- The voluntary or involuntary termination of a provider's contract or employment to avoid the imposition of disciplinary action or investigation by Healthfirst
- The termination of a provider's contract in the case of a determination of fraud or of imminent harm to a member's health
- Any disciplinary action based upon reasons related to professional competence or conduct that would adversely affect the clinical privileges of a provider for longer than thirty (30) days.

Reporting Suspected Fraudulent Conduct

Healthfirst is required by the New York State Department of Financial Services to report any suspected healthcare insurance fraud to the New York State Department of Financial Services Frauds Bureau whether or not Healthfirst elects to terminate a Provider Agreement.

To report suspected fraud or abuse an anonymous phone line is in place at **1 (877) 879-9137**.