

STATEMENT TO

[Second Reprint]

**ASSEMBLY COMMITTEE SUBSTITUTE FOR
ASSEMBLY, Nos. 2420, 2623 and 2668**

with Assembly Floor Amendments
(Proposed By Assemblywoman Vandervalk)

ADOPTED: JUNE 19, 1997

This amendment to subsection b. of section 9 of this committee substitute concerns the prohibition in a contract between a participating health care provider and a carrier offering a managed care plan against financial incentives for the provider to withhold medically necessary covered health care services. The amendment deletes the words "or reimbursement" as they relate to capitated arrangements between a carrier and a health care provider.