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Lori Bielinski, Executive Director  
Washington State Chiropractic Association  
21400 International Blvd. Suite 207  
SeaTac, Washington 98198

Dear Lori,

Below is my review of the Spokane Community Care participating provider agreement (Arcadian health plan, medical services agreement, referral provider). For the most part, the contract follows Washington regulations. This is to be expected since the company claims to have only one product and a license as a health care service contractor under Washington law.

Comments and deficiencies are noted immediately below along with other observations regarding critical terms or conditions.

### Article 1 Definitions

- Managed Care Plan – Although the Medicare Advantage plan is the only current health plan of Arcadian, Plan is defined to include all plans and “products” sponsored or administered by Arcadian or any of its affiliates. Thus, the contract contains an “all products” provision.
- Provider Representative – The contract uses “provider representative” to refer to employees, partners, and agents of provider who render care.
- Provider – This phrase substantially deviates from standard usage. A provider is the person named in the contract. Typically, a provider is defined with reference to a profession(s) who render care pursuant to state licensing. “Participating Providers” is defined in a normal fashion as someone under contract to provide care pursuant to a health plan. However, by mixing the definitions, Arcadian creates internal reference problems. For example, see Referral Services immediately below.
- Referral Services – This contract is for “referral services” defined as anything other than primary care “provided by Provider upon referral from Arcadian or a Participating Provider...” Technically, if “Provider” has signed a contract, the “Provider” is a “Participating Provider” and thus can make his or her own referral.

### Article 2 Duties of Practitioner

Although the Article is labeled with reference to “Practitioner”, there is no definition of practitioner and all references in the article are to “Providers.”

- 2.2 governing professional standards and other similar provisions in this paragraph contemplate the use of “provider representatives” which appears to allow for chiropractor use of employees so long as employees are credentialed.
- 2.3.1 requires Providers to give Arcadian a complete list of Provider Representatives at the time of contracting.
- 2.4 requires Providers to amend all subcontracts with Provider Representatives to conform to the Arcadian contract.
- 2.6 records must be maintained for at least six years.
- 2.7 malpractice insurance limits are \$1/\$3 million.
- 2.8 references several manuals which apply to Provider and which must be followed.
- 2.10 sets forth a reciprocity agreement that is somewhat unclear but appears to require a Provider to charge as though the Provider were a Participating Provider whenever any patient is covered by Arcadian or an affiliate or another Participating Provider. This creates the potential for an open-ended arrangement whereby the Provider is not a Participating Provider but must still discount fees.

#### Article 5 Compensation

- 5.5 guarantees that Arcadian will be liable if Arcadian advises Provider that a patient was covered and later it turns out the patient was not covered so long as Provider follows the appropriate procedures in the provider manual.

#### Article 6 Termination

- 6.2 requires a 120 day notice of termination without cause from either party.

#### Article 7 General Provisions

- 7.5.1 allows either party to request binding arbitration in the event of a dispute between the parties. The provision calls for “voluntary binding arbitration at the request of either Party”, in other words, binding arbitration since the carrier need only invoke the clause. Recall from prior contract reviews that state regulation does not permit mandatory binding arbitration.
- 7.11 makes the provider agreement itself confidential. Recall from prior contract reviews that a publicly filed and available document (OIC submission) cannot be “confidential” and subject to non-disclosure provisions.

#### Article 8 Governing Law and Regulatory Requirements

- 8.4 governing audits of providers do not include mutuality provisions of state regulation.