

2021 Regular Session

SENATE BILL NO. 130

BY SENATOR JACKSON

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

INSURANCE POLICIES. Provides for payment of health insurance provider claim payment claims. (8/1/21)

1 AN ACT

2 To amend and reenact R.S. 22:1016(A) and to enact R.S. 22:1828 and 1964(30), relative to
3 health insurance; to provide for provider claim payment and data information
4 protections; to provide for definitions; to provide for payment by electronic funds
5 transfer; to provide for violations; to provide for unfair or deceptive acts or practices
6 in the business of insurance; and to provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 22:1016(A) is hereby amended and reenacted and R.S. 22:1828 and
9 1964(30) are hereby enacted to read as follows:

10 §1016. Regulation by the Department of Insurance and the Department of Health of
11 prepaid entities participating in the Louisiana Medicaid Program

12 A. Notwithstanding any law to the contrary, any prepaid entity that
13 participates in the Louisiana Medicaid Program is required to obtain an insurer
14 license or certificate of authority from the Louisiana Department of Insurance. ~~Such~~
15 ~~a prepaid~~ **The prepaid** entity participating in the Louisiana Medicaid Program shall
16 be regulated by the Louisiana Department of Insurance with respect to licensure and
17 financial solvency but shall, solely with respect to its products and services offered

1 pursuant to the Louisiana Medicaid Program, be regulated by the Louisiana
 2 Department of Health subject to 42 USCA §1396 et seq., and all applicable federal
 3 and state laws, rules, and regulations relating to the Louisiana Medicaid Program.
 4 The Louisiana Department of Health ~~shall have the authority to~~ **may** adopt and
 5 promulgate ~~such~~ rules and regulations, including certification, relating to the
 6 Louisiana Medicaid Program. Except for licensure, ~~and~~ financial solvency
 7 requirements, **and the provisions of R.S. 22:1828**, no other provisions of this Title
 8 shall apply to a prepaid entity with respect to the participation of the prepaid entity
 9 in the Louisiana Medicaid Program.

10 * * *

11 **§1828. Provider claim payment and information protection**

12 **A. As used in this Section:**

13 **(1) "Electronic funds transfer" means an electronic funds transfer**
 14 **through the federal Health Insurance Portability and Accountability Act of**
 15 **1996, P.L. 104-191, as amended, standard automated clearing-house network.**

16 **(2) "Health insurance issuer" means an entity subject to the insurance**
 17 **laws and regulations of this state, that contracts or offers to contract, or enters**
 18 **into an agreement to provide, deliver, arrange for, pay for, or reimburse any of**
 19 **the costs for health care services, including a health and accident insurance**
 20 **company, a health maintenance organization, a preferred provider organization**
 21 **or any similar entity, any other entity providing a plan of health insurance or**
 22 **health benefits, or a "managed care organization" as defined by 42 CFR 438.2.**

23 **B. Within the time period prescribed by a health insurance issuer in**
 24 **which the health insurance issuer can review or audit a claim for purposes of**
 25 **reconsidering the validity of the claim, if a health care provider submits a**
 26 **request orally or in writing to a health insurance issuer, the health insurance**
 27 **issuer shall provide a copy of all documentation transmitted between the health**
 28 **care provider and the health insurance issuer or their respective agents, that is**
 29 **associated with a claim for payment for services. The health insurance issuer**

1 shall provide the requested documentation within two business days of the
2 request submitted by the health care provider. A health insurance issuer may,
3 in lieu of providing a physical copy, provide electronic access to the provider of
4 the documentation through the use of a provider portal or other electronic
5 means. All information or documentation required to be provided by this
6 Section to a health care provider by a health insurance issuer, whether by
7 physical copy or electronic access, shall be provided at no cost to the health care
8 provider.

9 C.(1) Any health insurance plan issued, amended, or renewed on or after
10 January 1, 2022, between a health insurance insurer, its contracted vendor or
11 agent, and a health care provider that covers health care services to a plan
12 enrollee shall not restrict the method of payment from the health insurance
13 issuer or its vendor to the health care provider in which the only acceptable
14 payment method for services rendered requires the health care provider to pay
15 a transaction fee, provider subscription fee, or any other type of fee or cost in
16 order to accept payment from the health insurance issuer or that results in a
17 monetary reduction in the payment to the health care provider for the health
18 care services rendered.

19 (2) If initiating or changing payments to a health care provider using
20 electronic funds transfer payments the health insurance issuer, its contracted
21 vendor, or agent shall:

22 (a) Notify the health care provider if any fees are associated with a
23 particular payment method.

24 (b) Advise the provider of the available methods of payment and provide
25 instructions to the health care provider for selection of an alternative payment
26 method that does not require the health care provider to pay a transaction fee,
27 provider subscription fee, or any other type of fee or cost in order for the health
28 care provider to accept payment from the health insurance issuer.

29 D. The provisions of this Section shall not be waived by contract, and any

Effective August 1, 2021.

(Amends R.S. 22:1016(A); adds R.S. 22:1828 and 1964(30))

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Insurance to the original bill

1. Makes technical changes.