

Regular Session, 2014

HOUSE BILL NO. 552

BY REPRESENTATIVE GREENE

INSURANCE/HEALTH: Requires recognition of assignment of health insurance benefits to healthcare providers

1 AN ACT

2 To enact R.S. 22:1827, relative to assignment of health insurance benefits; to require that  
3 health insurance issuers recognize such assignment to healthcare providers; to  
4 provide for definitions; and to provide for related matters.

5 Be it enacted by the Legislature of Louisiana:

6 Section 1. R.S. 22:1827 is hereby enacted to read as follows:

7 §1827. Assignment of benefits

8 A.(1) Notwithstanding any other provision of law to the contrary, an insured,  
9 beneficiary, subscriber, or enrollee shall have the right to assign in writing any  
10 benefits payable under health insurance coverage, including any legal or contractual  
11 rights flowing from such coverage, to a healthcare provider who files claims with a  
12 health insurance issuer for medical services provided to the insured, beneficiary,  
13 subscriber, or enrollee. A health insurance issuer shall recognize any such  
14 assignment of benefits to a healthcare provider by an insured, beneficiary, subscriber,  
15 or enrollee and shall not include any language or provisions prohibiting any such  
16 assignment in any form, contract, policy, subscriber agreement, certificate of  
17 coverage, or other evidence of health insurance coverage.

18 (2) Any payment made only to the insured, beneficiary, subscriber, or  
19 enrollee rather than the healthcare provider after assignment of benefits has been  
20 made as provided for in Paragraph (1) of this Subsection shall be considered unpaid.

1           (3) An insurance contract, policy, subscriber agreement, certificate of  
2           coverage, or other evidence of health insurance coverage shall not prohibit, and  
3           claims forms shall provide an option for, the payment of benefits directly to a  
4           licensed hospital, licensed ambulance provider, physician, dentist, or other  
5           healthcare provider who provided the medical services in accordance with the  
6           provisions of the insurance contract, policy, subscriber agreement, certificate of  
7           coverage, or other evidence of health insurance coverage for care provided.

8           B. For purposes of this Section:

9           (1) "Healthcare provider" shall mean:

10           (a) A physician or other healthcare practitioner licensed, certified, or  
11           registered to perform specified healthcare services consistent with state law, or other  
12           person who provided the services in accordance with the provision of the insurance  
13           contract, policy, subscriber agreement, certificate of coverage, or other evidence of  
14           health insurance coverage.

15           (b) A facility or institution providing healthcare services, including but not  
16           limited to a hospital or other licensed inpatient center; ambulatory, surgical, or  
17           treatment center; skilled nursing facility; inpatient hospice facility; residential  
18           treatment center; diagnostic, laboratory, or imaging center; or rehabilitation or other  
19           therapeutic health setting.

20           (2) "Health insurance coverage" shall mean benefits consisting of medical  
21           care provided or arranged for directly, through insurance, reimbursement, or  
22           otherwise, and including items and services paid for as medical care under any  
23           hospital or medical service policy or certificate, hospital or medical service plan  
24           contract, preferred provider organization agreement, or health maintenance  
25           organization contract offered by a health insurance issuer.

26           (3) "Health insurance issuer" means any entity that offers health insurance  
27           coverage through a policy, contract, or certificate of insurance subject to state law  
28           that regulates the business of insurance, including but not be limited to a health  
29           maintenance organization as defined and licensed pursuant to Subpart I of Part I of

1        Chapter 2 of this Title. A health insurance issuer shall not include any entity  
 2        preempted as an employee benefit plan under the Employee Retirement Income  
 3        Security Act of 1974.

4        Section 2. This Act shall become effective upon signature by the governor or, if not  
 5 signed by the governor, upon expiration of the time for bills to become law without signature  
 6 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If  
 7 vetoed by the governor and subsequently approved by the legislature, this Act shall become  
 8 effective on the day following such approval.

#### DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

Greene

HB No. 552

**Abstract:** Requires that health insurance issuers recognize assignment of health insurance benefits to healthcare providers.

Proposed law provides that, notwithstanding any other provision of law to the contrary, an insured, beneficiary, subscriber, or enrollee shall have the right to assign in writing any benefits payable under health insurance coverage, including any legal or contractual rights flowing from such coverage, to a healthcare provider who files claims with a health insurance issuer for medical services provided to the insured, beneficiary, subscriber, or enrollee. Requires that a health insurance issuer recognize any such assignment of benefits to a healthcare provider and shall not include any language or provisions prohibiting any such assignment in any form, contract, policy, subscriber agreement, certificate of coverage, or other evidence of health insurance coverage. Further provides that any payment made only to the insured, beneficiary, subscriber, or enrollee rather than the healthcare provider after assignment of benefits has been made shall be considered unpaid.

Proposed law provides that an insurance contract, policy, subscriber agreement, certificate of coverage, or other evidence of health insurance coverage shall not prohibit, and claims forms shall provide an option for the payment of benefits directly to a licensed hospital, licensed ambulance provider, physician, dentist, or other healthcare provider who provided the medical services in accordance with the provisions such insurance contract, policy, subscriber agreement, certificate of coverage, or other evidence of health insurance coverage for care provided.

Proposed law defines a "healthcare provider" as either:

- (1) A physician or other healthcare practitioner licensed, certified, or registered to perform specified healthcare services consistent with state law, or other person who provided the services in accordance with the provision of the insurance contract, policy, subscriber agreement, certificate of coverage, or other evidence of health insurance coverage.
- (2) A facility or institution providing healthcare services, including but not limited to a hospital or other licensed inpatient center; ambulatory, surgical, or treatment center;

skilled nursing facility; inpatient hospice facility; residential treatment center; diagnostic, laboratory, or imaging center; or rehabilitation or other therapeutic health setting.

Proposed law also defines the terms "health insurance coverage" and "health insurance issuer" for purposes of proposed law.

Effective upon signature of governor or lapse of time for gubernatorial action.

(Adds R.S. 22:1827)