
DIGEST

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Greene

HB No. 506

Abstract: Provides notice requirements and procedures for qualified health plan issuers on the exchange for enrollees in a grace period.

Proposed law provides definitions.

Proposed law requires that when a physician, other healthcare provider, or his representative requests information from a qualified health plan issuer regarding the eligibility of an enrollee, his coverage, plan benefits, status of a claim, or reports a claim in a remittance advice, and the request is made in the 2nd or 3rd month of a grace period, the qualified health plan issuer shall provide the information and identify that the enrollee is in a grace period.

Proposed law provides that the information regarding the enrollee's grace period status is binding on the qualified health plan.

Proposed law further requires that the information be provided through the same medium the information was sought or be provided on the qualified health plan issuer's website or by the method the provider who requested the information normally receives claims remittance advice information.

Proposed law provides that if a qualified health plan issuer informs a physician or healthcare provider that an enrollee is eligible for services but does not inform the provider that the enrollee is in a grace period, then the qualified health plan issuer is responsible for paying the claims and he will be unable to recoup payment from the physician or other healthcare provider.

Proposed law requires that the notice include:

- (1) The purpose of the notice.
- (2) The full legal name of the enrollee and any unique identifying numbers.
- (3) The name of the qualified health plan.
- (4) The unique health plan identifier of the qualified health plan.
- (5) The name of the qualified health plan issuer.

- (6) The specific date upon which the grace period for the enrollee began and the specific date upon which it will expire.

Proposed law requires the qualified health plan issuer to clearly outline on the qualified health plan website whether it will pay any claims during the grace period as well as a statement which indicates if whether and how it will seek recoupment of payment for the payment of such claims.

Proposed law provides that failure to comply with the requirements of proposed law will result in the mandate of the qualified health issuer to pay for any and all covered claims for services furnished by the physician or healthcare provider to an enrollee during a grace period in accordance with the terms of the qualified health plan.

Proposed law provides that a qualified health plan issuer has up to 60 days after the expiration of the grace period to seek recoupment of services provided during the grace period.

Proposed law prohibits the waiver of any provisions of proposed law by contract.

Proposed law allows a physician or other healthcare provider to request an injunction in an appropriate court for the enforcement of proposed law.

Proposed law allows the commissioner of insurance to promulgate any rules and regulations necessary to carry out the provisions of proposed law.

Proposed law provides for severability of its provisions.

(Adds R.S. 22:1260.31-1260.38)

Summary of Amendments Adopted by House

Committee Amendments Proposed by House Committee on Insurance to the original bill.

1. Removed provision making violation of proposed law an unfair trade practice in the business of insurance.
2. Removed "other health insurance plan" from the definition of "enrollee" in proposed law.
3. Added that the grace period allows the enrollee 3 months to pay a delinquent premium in proposed law.
4. Removed reports of a claim in a remittance advice from the notice requirements in proposed law.
5. Added that the qualified health plan issuer may make the notice required in proposed law available by posting the notice on its website or by other electronic means, in lieu

of providing the notice in the medium in which the request for information was made or by the method the provider who requested the information normally receives claims remittance advice information.

6. Added that proposed law requires the qualified health plan issuer pay a claim for covered services rendered during the grace period in accordance with the plan when the issuer informs a provider that the enrollee is eligible for services but not that the enrollee is in the grace period.
7. Removed requirement in proposed law that the qualified health plan issuer post on the issuer's website an explanation of the issuer's plan of action during the grace period and upon exhaustion of the grace period that includes options for the provider and the enrollee.
8. Added that payment for covered claims in proposed law shall be in accordance with the terms of the qualified health plan.
9. Added that a qualified health plan issuer may attempt to recover payment for services furnished to an enrollee during the grace period when coverage is subsequently cancelled for nonpayment of premium.
10. Made technical changes.