DIGEST

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HB 775 Engrossed 2018 Regular Session Davis

Abstract: Provides for payment to a new provider in a contracted network of healthcare providers and authorizes recovery of certain amounts upon denial of an application for credentialing.

Present law requires a health insurance issuer or managed care organization (MCO) contracting with a group of physicians that bills the health insurance issuer using a group identification number to pay the contracted reimbursement rate of the physician group for covered healthcare services rendered by a new physician to the group, without healthcare provider credentialing, in either of the following circumstances:

(1) When the new physician has already been credentialed by the health insurance issuer or MCO and the physician's credentialing is still active with the issuer or MCO.

(2) When the health insurance issuer or MCO has received the required credentialing application and information, including proof of active hospital privileges, from the new physician and the issuer or MCO has not notified the physician group that credentialing of the new physician has been denied.

Proposed law retains present law but expands the applicability to healthcare providers.

Present law requires a health insurance issuer or MCO to comply with present law no later than 30 days after receipt of a written request from the physician group. Present law further requires the request to the health insurance issuer to contain a statement that the physician group agrees that all contract provisions apply to the new physician for any claims for covered services rendered by the new physician to covered persons on dates of service no earlier than the date of the written request from the physician group.

Proposed law retains present law but expands the applicability to healthcare providers.

Present law provides that compliance by a health insurance issuer or MCO shall not be construed to mean that a physician has been credentialed by an issuer or MCO or that the issuer or MCO is required to list the physician in a directory of contracted physicians.

Proposed law retains present law but expands the applicability to healthcare providers.

Present law authorizes a health insurance issuer or MCO, if the issurer or MCO completes the credentialing process on a new physician and determines that the physician does not meet the issuer's

or MCO's credentialing requirements, to recover from the physician or the physician group an amount equal to the difference between appropriate payments for in-network benefits and out-of-network benefits if the health insurance issuer or MCO has notified the applicant physician of the adverse determination and initiated the recovery within 30 days of the adverse determination.

Proposed law retains present law but expands the applicability to healthcare providers.

Present law authorizes the physician or the physician group to retain any deductible, coinsurance, or copayment collected or in the process of being collected as of the date of receipt of the health insurance issuer's determination, so long as the amount is not in excess of the amount owed by the insured or enrollee for out-of-network services.

Proposed law retains present law but expands the applicability to healthcare providers.

(Amends R.S. 22:1874(A)(5) and R.S. 46:460.62)

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Insurance to the original bill:

1. Add provisions relative to provider reimbursement by managed care organizations.

2. Make technical changes.