

SENATE BILL NO. 130

BY SENATOR JACKSON

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

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AN ACT

To enact R.S. 22:1828 and 1964(30) and R.S. 46:460.75, relative to health insurance; to provide for provider claim payment and data information protections; to provide for definitions; to provide for payment by electronic funds transfer; to provide for violations; to provide for unfair or deceptive acts or practices in the business of insurance; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 22:1828 and 1964(30) are hereby enacted to read as follows:

§1828. Provider claim payment and information protection

A. As used in this Section:

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

(2) "Health insurance issuer" means an entity subject to the insurance laws and regulations of this state, that contracts or offers to contract, or enters into an agreement to provide, deliver, arrange for, pay for, or reimburse any of the costs for healthcare services, including a health and accident insurance company, a health maintenance organization, a preferred provider organization, or any similar entity.

B. Within the time period prescribed by a health insurance issuer in which the health insurance issuer can review or audit a claim for purposes of reconsidering the validity of the claim, if a healthcare provider submits a request orally or in writing to a health insurance issuer, the health insurance issuer shall provide a copy of all documentation transmitted between the

1 healthcare provider and the health insurance issuer or their respective agents,
2 that is associated with a claim for payment for services. The health insurance
3 issuer shall provide the requested documentation within two business days of
4 the request submitted by the healthcare provider. A health insurance issuer
5 may, in lieu of providing a physical copy, provide electronic access to the
6 provider of the documentation through the use of a provider portal or other
7 electronic means. All information or documentation required to be provided by
8 this Section to a healthcare provider by a health insurance issuer, whether by
9 physical copy or electronic access, shall be provided at no cost to the healthcare
10 provider.

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

21 (2) If initiating or changing payments to a healthcare provider using
22 electronic funds transfer payments the health insurance issuer, its contracted
23 vendor, or agent shall do both of the following:

24 (a) Notify the healthcare provider if any fees are associated with a
25 particular payment method.

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

1 D. The provisions of this Section shall not be waived by contract, and any
2 contractual clause in conflict with the provisions of this Section or that purport
3 to waive the requirements of this Section is void.

4 E. Any violation of the provisions of this Section shall be declared and
5 considered to be unfair methods of competition and unfair or deceptive acts or
6 practices in the business of insurance and subject to the provisions of Part IV
7 of Chapter 7 of this Title.

8 * * *

9 §1964. Methods, acts, and practices which are defined as unfair or deceptive

10 The following are declared to be unfair methods of competition and unfair
11 or deceptive acts or practices in the business of insurance:

12 * * *

13 **(30) Any violation of R.S. 22:1828.**

14 Section 2. R.S. 46:460.75 is hereby enacted to read as follows:

15 **§460.75. Provider claim payment and information protection**

16 A. If a healthcare provider submits a request, either orally or in writing,
17 to a managed care organization during the time prescribed by state law or
18 regulation in which a managed care organization can subject a claim to any
19 review or audit for purposes of reconsidering the validity of a claim, the
20 managed care organization shall provide, within two business days of such
21 request, a copy of all documentation that has been transmitted between the
22 healthcare provider and the managed care organization, or their respective
23 agents, that is associated with a claim for payment of a service. A managed care
24 organization may, in lieu of providing a physical copy, provide electronic access
25 of the documentation through the use of a provider portal or other electronic
26 means to the provider. All information or documentation required to be
27 provided to a healthcare provider by a managed care organization pursuant to
28 this Section, whether by physical copy or electronic access, shall be provided at
29 no cost to the healthcare provider.

30 **B.(1) Any healthcare provider contract issued, amended, or renewed on**

1 or after January 1, 2021, between a managed care organization, its contracted
2 vendor, or agent and a healthcare provider for the provision of healthcare
3 services to a Medicaid enrollee shall not contain restrictions on methods of
4 payment from the managed care organization or its vendor to the healthcare
5 provider in which the only acceptable payment method for healthcare services
6 rendered requires the healthcare provider to pay a transaction fee, provider
7 subscription fee, or any other type of fee or cost in order to accept payment
8 from the managed care organization for the provision of healthcare services, or
9 that would result in a monetary reduction in the healthcare provider's payment
10 for the healthcare services rendered.

11 (2) If initiating or changing payments to a healthcare provider using
12 electronic funds transfer payments a managed care organization, its contracted
13 vendor, or agent shall do both of the following:

14 (a) Notify the healthcare provider if any fees are associated with a
15 particular payment method.

16 (b) Advise the provider of the available methods of payment and provide
17 clear instructions to the healthcare provider as to how to select an alternative
18 payment method that does not require the healthcare provider to pay a
19 transaction fee, provider subscription fee, or any other type of fee or cost in
20 order to accept payment from the managed care organization for the provision
21 of healthcare services.

22 C. The provisions of this Section shall not be waived by contract, and any
23 contractual clause in conflict with the provisions of this Section or that purports
24 to waive any requirements of this Section is void.

25 D. If the managed care organization, its contracted vendor, or agent
26 violates any provision of this Section, the department shall impose penalties on
27 the managed care organization in accordance with contract provisions or rules
28 and regulations promulgated pursuant to the Administrative Procedure Act,
29 except that penalties shall be imposed without the necessity of the department
30 having to issue any prior notice of corrective action.

1 E. As used in this Section, “electronic funds transfer” means an
2 electronic funds transfer through the federal Health Insurance Portability and
3 Accountability Act of 1996, P.L. 104-191, standard automated clearinghouse
4 network.

PRESIDENT OF THE SENATE

SPEAKER OF THE HOUSE OF REPRESENTATIVES

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____