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1                   A bill to be entitled  
2           An act relating to health insurance claims payments;  
3           amending ss. 627.6131 and 641.31, F.S.; prohibiting health  
4           insurance contracts and health maintenance contracts from  
5           prohibiting or restricting insureds from assigning plan  
6           benefits to certain noncontract providers for certain  
7           covered services; requiring payment by an insurer of plan  
8           benefits under assignment and acceptance by noncontract  
9           providers; requiring noncontract providers accepting such  
10          assignments to accept any payments from plan benefit  
11          insurers and prohibiting such providers from collecting  
12          any balances from insureds; amending s. 627.6471, F.S.;  
13          prohibiting insurers and plan administrators from  
14          reimbursing preferred providers at alternative or reduced  
15          rates for covered services under certain circumstances;  
16          providing exceptions; prohibiting preferred provider  
17          contract parties from selling, leasing, or transferring  
18          contract payment or reimbursement terms information under  
19          certain circumstances; amending s. 641.315, F.S.;  
20          prohibiting health maintenance organizations from selling,  
21          leasing, or transferring contract payment or reimbursement  
22          terms information under certain circumstances; amending s.  
23          641.3155, F.S.; decreasing the period of time authorized  
24          for overpayment claims of health maintenance organizations  
25          against providers; providing an effective date.

26  
27   Be It Enacted by the Legislature of the State of Florida:  
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29 Section 1. Subsection (18) is added to section 627.6131,  
 30 Florida Statutes, to read:

31 627.6131 Payment of claims.--

32 (18) (a) A contract with a health insurer may not prohibit  
 33 or restrict an insured from assigning plan benefits to providers  
 34 not under contract with the insurer for covered health care  
 35 services rendered by the provider to the insured.

36 (b) Any assignment by an insured of plan benefits which  
 37 designates that the assignment has been accepted by a provider  
 38 not under contract with the health insurer must be paid to the  
 39 provider pursuant to this section.

40 (c) Except for providers who are providing services  
 41 pursuant to ss. 395.1041 and 401.45, any provider who accepts an  
 42 assignment pursuant to this subsection agrees, by submitting the  
 43 claim to the health insurer, to accept the amount paid by the  
 44 health insurer as payment in full for the health care services  
 45 provided and to not collect any balance from the insured.

46 Section 2. Subsection (7) is added to section 627.6471,  
 47 Florida Statutes, to read:

48 627.6471 Contracts for reduced rates of payment;  
 49 limitations; coinsurance and deductibles.--

50 (7) (a) An insurer or an administrator may not reimburse a  
 51 preferred provider at an alternative or a reduced rate of  
 52 payment for covered services that are provided to an insured  
 53 unless:

54 1. The insurer or administrator has contracted with the  
 55 preferred provider and has agreed to provide coverage for those  
 56 health care services under the health insurance policy.

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57        2. The preferred provider has agreed to the contract and  
58 to provide health care services under the terms of the contract.

59        (b) A party to a preferred provider contract may not sell,  
60 lease, or otherwise transfer information regarding the payment  
61 or reimbursement terms of the contract without the express  
62 authority of and prior adequate notification to the other  
63 contracting parties.

64        Section 3. Subsection (41) is added to section 641.31,  
65 Florida Statutes, to read:

66        641.31 Health maintenance contracts.--

67        (41) (a) A health maintenance organization contract may not  
68 prohibit or restrict a subscriber from assigning plan benefits  
69 to providers not under contract with the organization for  
70 covered health care services rendered by the provider to the  
71 subscriber.

72        (b) Any assignment by a subscriber of plan benefits which  
73 designates that the assignment has been accepted by a provider  
74 not under contract with the organization must be paid to the  
75 provider pursuant to s. 641.3155.

76        (c) Except for providers providing service pursuant to s.  
77 641.513, any provider who accepts an assignment pursuant to this  
78 subsection agrees, by submitting the claim to the health  
79 maintenance organization, to accept the amount paid by the  
80 health maintenance organization as payment in full for the  
81 health care services provided and to not collect any balance  
82 from the subscriber.

83        Section 4. Subsection (11) is added to section 641.315,  
84 Florida Statutes, to read:

85 641.315 Provider contracts.--

86 (11) A health maintenance organization may not sell,  
 87 lease, or otherwise transfer information regarding the payment  
 88 of reimbursement terms of a contract with a health care  
 89 practitioner without the express authority of and prior adequate  
 90 notification to the contracting parties.

91 Section 5. Subsection (5) of section 641.3155, Florida  
 92 Statutes, is amended to read:

93 641.3155 Prompt payment of claims.--

94 (5) If a health maintenance organization determines that  
 95 it has made an overpayment to a provider for services rendered  
 96 to a subscriber, the health maintenance organization must make a  
 97 claim for such overpayment to the provider's designated  
 98 location. A health maintenance organization that makes a claim  
 99 for overpayment to a provider under this section shall give the  
 100 provider a written or electronic statement specifying the basis  
 101 for the retroactive denial or payment adjustment. The health  
 102 maintenance organization must identify the claim or claims, or  
 103 overpayment claim portion thereof, for which a claim for  
 104 overpayment is submitted.

105 (a) If an overpayment determination is the result of  
 106 retroactive review or audit of coverage decisions or payment  
 107 levels not related to fraud, a health maintenance organization  
 108 shall adhere to the following procedures:

109 1. All claims for overpayment must be submitted to a  
 110 provider within 6 ~~30~~ months after the health maintenance  
 111 organization's payment of the claim. A provider must pay, deny,  
 112 or contest the health maintenance organization's claim for

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113 overpayment within 40 days after the receipt of the claim. All  
114 contested claims for overpayment must be paid or denied within  
115 120 days after receipt of the claim. Failure to pay or deny  
116 overpayment and claim within 140 days after receipt creates an  
117 uncontestable obligation to pay the claim.

118 2. A provider that denies or contests a health maintenance  
119 organization's claim for overpayment or any portion of a claim  
120 shall notify the organization, in writing, within 35 days after  
121 the provider receives the claim that the claim for overpayment  
122 is contested or denied. The notice that the claim for  
123 overpayment is denied or contested must identify the contested  
124 portion of the claim and the specific reason for contesting or  
125 denying the claim and, if contested, must include a request for  
126 additional information. If the organization submits additional  
127 information, the organization must, within 35 days after receipt  
128 of the request, mail or electronically transfer the information  
129 to the provider. The provider shall pay or deny the claim for  
130 overpayment within 45 days after receipt of the information. The  
131 notice is considered made on the date the notice is mailed or  
132 electronically transferred by the provider.

133 3. The health maintenance organization may not reduce  
134 payment to the provider for other services unless the provider  
135 agrees to the reduction in writing or fails to respond to the  
136 health maintenance organization's overpayment claim as required  
137 by this paragraph.

138 4. Payment of an overpayment claim is considered made on  
139 the date the payment was mailed or electronically transferred.  
140 An overdue payment of a claim bears simple interest at the rate

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141 of 12 percent per year. Interest on an overdue payment for a  
142 claim for an overpayment payment begins to accrue when the claim  
143 should have been paid, denied, or contested.

144 (b) A claim for overpayment shall not be permitted beyond  
145 6 ~~30~~ months after the health maintenance organization's payment  
146 of a claim, except that claims for overpayment may be sought  
147 beyond that time from providers convicted of fraud pursuant to  
148 s. 817.234.

149 Section 6. This act shall take effect July 1, 2008.