
HOUSE COMMITTEE AMENDMENTS

Substitute for Original House Bill No. 895 by Representative Fannin as proposed by the House Committee on Insurance

This document reflects the content of a substitute bill but is not in a bill form; page numbers in this document DO NOT correspond to page numbers in the substitute bill itself.

To enact R.S. 22:1827 and to repeal R.S. 22:263(D) and 1826, relative to payment of claims for services provided by noncontracted facility-based providers; to provide for definitions; to provide for exemptions; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

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

§1827. Payment of claims for services provided by noncontracted facility-based providers

A.(1) If a facility-based provider that is not contracted with a health insurance issuer files a claim with the health insurance issuer for services rendered, the health insurance issuer shall directly pay the claim to the noncontracted provider. The amount to be paid by the health insurance issuer shall be the median of the amounts negotiated with contracted providers for the same service, less any amount representing coinsurance, copayments, deductibles, noncovered services, or any other amounts identified by the health insurance issuer pursuant to the plan or policy provisions, as an amount for which the insured or enrollee is liable. Payment of such claim by the health insurance issuer shall in no circumstances be made directly to the patient, insured, or enrollee. The provider is prohibited from seeking recovery of any additional sums from the patient, insured or enrollee who received the services.

(2) The facility-based provider shall have ninety days following the date that the services were provided to file a claim with the health insurance issuer of the patient.

(3) If the facility-based provider does not file a claim with the health insurance issuer for the services rendered, the provider may seek payment for the

services from the patient, but in no instance shall the amount so billed exceed 125% of the Medicare allowed amount for such services.

B. (1) "Health insurance issuer" means any entity that offers health insurance coverage through a policy or certificate of insurance subject to state law that regulates the business of insurance. The term shall also include a health maintenance organization, as defined and licensed pursuant to Subpart I of Part I of Chapter 2 of this Title, nonfederal government plans subject to the provisions of Subpart B of this Part and the Office of Group Benefits, and an entity that provides third party administration services for a health benefits plan.

(2) "Facility-based provider" means a physician or other health care professional who is required by a health facility to provide services in that facility as an anesthesiologist, hospitalist, intensivist, neonatologist, pathologist, radiologist, or emergency room physician, whether such provider is contracted directly or through a clinic or other entity. The term shall also apply to any health care professional who is directly supervised by such facility-based provider and whose services in the health facility are billed through such facility-based provider.

Section 2. R.S. 22:263(D) and 1826 are hereby repealed in their entirety.

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)]

Abstract: Provides that noncontracted facility-based healthcare providers receive the median of the amounts negotiated with contracted providers for the same service when the claims is filed by the provider directly with the insurer, and that the provider may not seek the balance from the patient

Proposed law provides that a health insurance issuer shall pay the median of the amounts negotiated with contracted providers to a noncontract facility-based healthcare provider for the same service when the claim is filed directly with the health insurance issuer by the provider.

Proposed law provides that the provider may not seek payment of the remaining balance from the insured, other than the amount representing coinsurance, copayments, deductibles, noncovered services.

Present law provides that a noncontract facility-based provider, and an anesthesiologist, pathologist, or a radiologist that provides services at a noncontracted facility, may pursue

collection from a health maintenance organization for emergency services rendered provided that the provider has no direct knowledge that a patient is an enrollee of a health maintenance organization. Proposed law repeals present law.

Present law provides that a health insurance issuer shall directly pay the claim of a noncontracted health care provider for emergency services provided to the insured pursuant to the plan or policy provisions between the insured and the health insurance issuer. Proposed law repeals present law.

(Adds R.S. 22:1827; Repeals R.S. 22:22:263(D) and 1826)