

1 SENATE BILL 488

2 **56TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2023**

3 INTRODUCED BY

4 Gregg Schmedes

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10 AN ACT

11 RELATING TO HEALTH COVERAGE; ENACTING SECTIONS OF THE NEW
12 MEXICO INSURANCE CODE, THE HEALTH MAINTENANCE ORGANIZATION LAW
13 AND THE NONPROFIT HEALTH CARE PLAN LAW TO LIMIT RETROACTIVE
14 DENIAL OF REIMBURSEMENT TO HEALTH CARE PROVIDERS.

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16 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

17 SECTION 1. A new section of Chapter 59A, Article 22 NMSA
18 1978 is enacted to read:

19 "[NEW MATERIAL] RETROACTIVE DENIAL OF REIMBURSEMENT TO
20 HEALTH CARE PROVIDERS--TIME LIMITATIONS.--

21 A. An insurer may only retroactively deny
22 reimbursement to a health care provider for a claim if:

23 (1) fewer than six months have passed since
24 the insurer paid the health care provider for the claim; or

25 (2) the claim was subject to coordination of

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underscoring material = new
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1 benefits with another insurer and fewer than eighteen months
2 have passed since the insurer paid the health care provider for
3 the claim.

4 B. The time limitations provided in this section
5 shall not apply to retroactive denial of reimbursement to a
6 health care provider when:

7 (1) the information submitted to the insurer
8 was fraudulent;

9 (2) the claim was improperly coded; or

10 (3) the claim submitted to the insurer was a
11 duplicate."

12 SECTION 2. A new section of Chapter 59A, Article 23 NMSA
13 1978 is enacted to read:

14 "[NEW MATERIAL] RETROACTIVE DENIAL OF REIMBURSEMENT TO
15 HEALTH CARE PROVIDERS--TIME LIMITATIONS.--

16 A. An insurer may only retroactively deny
17 reimbursement to a health care provider for a claim if:

18 (1) fewer than six months have passed since
19 the insurer paid the health care provider for the claim; or

20 (2) the claim was subject to coordination of
21 benefits with another insurer and fewer than eighteen months
22 have passed since the insurer paid the health care provider for
23 the claim.

24 B. The time limitations provided in this section
25 shall not apply to retroactive denial of reimbursement to a

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underscored material = new
[bracketed material] = delete

1 health care provider when:

2 (1) the information submitted to the insurer
3 was fraudulent;

4 (2) the claim was improperly coded; or

5 (3) the claim submitted to the insurer was a
6 duplicate."

7 SECTION 3. A new section of the Health Maintenance
8 Organization Law is enacted to read:

9 "[NEW MATERIAL] RETROACTIVE DENIAL OF REIMBURSEMENT TO
10 PROVIDERS--TIME LIMITATIONS.--

11 A. A carrier may only retroactively deny
12 reimbursement to a provider for a claim if:

13 (1) fewer than six months have passed since
14 the carrier paid the provider for the claim; or

15 (2) the claim was subject to coordination of
16 benefits with another carrier and fewer than eighteen months
17 have passed since the carrier paid the provider for the claim.

18 B. The time limitations provided in this section
19 shall not apply to retroactive denial of reimbursement to a
20 provider when:

21 (1) the information submitted to the carrier
22 was fraudulent;

23 (2) the claim was improperly coded; or

24 (3) the claim submitted to the carrier was a
25 duplicate."

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