

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 823 Session of 2017

INTRODUCED BY SAYLOR, BAKER, BARRAR, BENNINGHOFF, BOBACK, BRIGGS, R. BROWN, BURNS, CORR, D. COSTA, COX, CUTLER, DEAN, DIAMOND, DOWLING, DUSH, ELLIS, EVERETT, FRITZ, GABLER, GOODMAN, GREINER, HAHN, HEFFLEY, PHILLIPS-HILL, IRVIN, JAMES, KORTZ, LAWRENCE, MACKENZIE, MAHER, MALONEY, MENTZER, MILLARD, MOUL, MURT, NEILSON, NELSON, RADER, STAATS, WARD, WATSON AND WHEELAND, MARCH 10, 2017

REFERRED TO COMMITTEE ON INSURANCE, MARCH 10, 2017

AN ACT

1 Amending the act of May 17, 1921 (P.L.682, No.284), entitled "An
 2 act relating to insurance; amending, revising, and
 3 consolidating the law providing for the incorporation of
 4 insurance companies, and the regulation, supervision, and
 5 protection of home and foreign insurance companies, Lloyds
 6 associations, reciprocal and inter-insurance exchanges, and
 7 fire insurance rating bureaus, and the regulation and
 8 supervision of insurance carried by such companies,
 9 associations, and exchanges, including insurance carried by
 10 the State Workmen's Insurance Fund; providing penalties; and
 11 repealing existing laws," in uniform health insurance claim
 12 form, further providing for forms for health insurance
 13 claims.

14 The General Assembly of the Commonwealth of Pennsylvania
 15 hereby enacts as follows:

16 Section 1. Section 1202 of the act of May 17, 1921 (P.L.682,
 17 No.284), known as The Insurance Company Law of 1921, is amended
 18 to read:

19 Section 1202. Forms for Health Insurance Claims.--(a) Each
 20 health insurance claim form processed or otherwise used by an
 21 insurer, including those used by the Department of [Public

1 Welfare] Human Services for public health care coverage, shall
2 be the uniform claim form developed by the department. The claim
3 form shall be identical in form and content except as provided
4 in subsection (c). The department shall, in consultation with
5 the Department of [Public Welfare] Human Services, insurers and
6 health care providers or their representatives, first consider
7 the feasibility of utilizing the UB-82/HCFR-1450 and HCFR-1500
8 forms, or their successors, as a uniform claim form. If these
9 forms are deemed to be unsatisfactory, the department shall, in
10 consultation with the Department of [Public Welfare] Human
11 Services, insurers and health care providers or their
12 representatives, develop a uniform claim form for use by all
13 insurers, the Department of [Public Welfare's] Human Services'
14 public health care coverage program and health care providers.
15 The uniform claim form shall contain blank spaces at appropriate
16 places in the document for approved additional information
17 requests under subsection (c).

18 (b) The feasibility study and subsequent development of the
19 uniform claim form shall be complete within one hundred eighty
20 (180) days of the effective date of this article. All insurers,
21 the Department of [Public Welfare's] Human Services' public
22 health care coverage program and health care providers shall be
23 required to use the uniform claim form within one hundred twenty
24 (120) days after the uniform claim form is developed. The
25 department may consider a request from the Department of [Public
26 Welfare] Human Services for an extension in meeting the
27 implementation schedule of this section.

28 (c) (1) Subject to the procedure contained in clause (2),
29 an insurer may request that a claimant provide departmentally
30 approved additional information which is not requested on the

1 uniform claim form.

2 (2) An insurer may request departmental approval of
3 additional information requests to be printed in the blank
4 spaces on the uniform claim form, and on subsequent pages if
5 necessary, by submitting a written request to the department.
6 Such a request shall be deemed approved by the department if not
7 disapproved within sixty (60) days after receipt of the request.
8 A disapproval shall be subject to the procedures under 2 Pa.C.S.
9 (relating to administrative law and procedure).

10 (3) If, in a dental claim form, an insured specifically
11 authorizes payment of benefits directly to an entity or person
12 who provided dental services in accordance with the provisions
13 of the policy, the insurer shall make the payment to the
14 specific provider of the dental services. The insurance contract
15 may not prohibit, and claim forms must provide an option for,
16 the payment of benefits directly to the specified provider of
17 the dental service. The insurer may require written attestation
18 of the assignment of the payment. Payment to the specific
19 provider of the dental services from the insurer may not be more
20 than the amount that the insurer would otherwise have paid
21 without the assignment of payment.

22 (d) In the case of vision and dental claim forms and in the
23 case of supplemental major medical claim forms, utilization of
24 the uniform claim form shall be at the discretion of the
25 individual insurer.

26 (e) (1) The Legislative Budget and Finance Committee shall
27 conduct a study to examine all of the following:

28 (i) The costs and benefits associated with the direct
29 reimbursement of nonparticipating providers by health insurance
30 carriers under a valid agreement of benefits.

1 (ii) The impact on consumers of prohibiting health insurance
2 carriers from refusing to accept a valid assignment of benefits.

3 (iii) The impact of requiring direct reimbursement of
4 nonparticipating providers by health insurance carriers on a
5 health insurance carrier's ability to maintain an adequate
6 number of providers in their network.

7 (2) A report on the study under clause (1) shall be
8 presented to the chairman and minority chairman of the Insurance
9 Committee of the House of Representatives and the chairman and
10 minority chairman of the Banking and Insurance Committee of the
11 Senate no later than thirty-six (36) months after the effective
12 date of this subsection.

13 Section 2. This act shall take effect in 60 days.