

2014 -- S 2536

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LC004562
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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2014

A N A C T

RELATING TO INSURANCE - HEALTH INSURANCE

Introduced By: Senator Gayle L. Goldin

Date Introduced: February 27, 2014

Referred To: Senate Health & Human Services

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 27-18-65 of the General Laws in Chapter 27-18 entitled "Accident
2 and Sickness Insurance Policies" is hereby amended to read as follows:

3 **27-18-65. Post-payment audits. [Effective January 1, 2014.] --** (a) Except as otherwise
4 provided herein, any review, audit or investigation by a health insurer or health plan of a health
5 care provider's claims which results in the recoupment or set-off of funds previously paid to the
6 health care provider in respect to such claims shall be completed no later than eighteen (18)
7 months after the completed claims were initially paid. This section shall not restrict any review,
8 audit or investigation regarding claims that are submitted fraudulently, are subject to a pattern of
9 inappropriate billing, are related to coordination of benefits, are duplicate claims, or are subject to
10 any federal law or regulation that permits claims review beyond the period provided herein.

11 (b) No health care provider shall seek reimbursement from a payer for underpayment of
12 a claim later than eighteen (18) months from the date the first payment on the claim was made,
13 except if the claim is the subject of an appeal properly submitted pursuant to the payer's claims
14 appeal policies or the claim is subject to continual claims submission.

15 (c) For the purposes of this section, "health care provider" means an individual clinician,
16 either in practice independently or in a group, who provides health care services, and otherwise
17 referred to as a non-institutional provider ~~otherwise referred to as a non-institutional provider~~ any
18 health care facility as defined in § 27-18-1.1, including any mental health and/or substance abuse
19 treatment facility, physician, or other licensed practitioners as identified by a review agent as

1 [having primary responsibility for the care, treatment, and services provided to a patient.](#)

2 (d) Except for those contracts where the health insurer or plan has the right to
3 unilaterally amend the terms of the contract, the parties shall be able to negotiate contract terms
4 which allow for different time frames than is prescribed herein.

5 SECTION 2. Section 27-19-56 of the General Laws in Chapter 27-19 entitled "Nonprofit
6 Hospital Service Corporations" is hereby amended to read as follows:

7 **27-19-56. Post-payment audits. [Effective January 1, 2014.]** -- (a) Except as otherwise
8 provided herein, any review, audit or investigation by a nonprofit hospital service corporation of a
9 health care provider's claims which results in the recoupment or set-off of funds previously paid
10 to the health care provider in respect to such claims shall be completed no later than eighteen (18)
11 months after the completed claims were initially paid. This section shall not restrict any review,
12 audit or investigation regarding claims that are submitted fraudulently, are subject to a pattern of
13 inappropriate billing, are related to coordination of benefits, are duplicate claims, or are subject to
14 any federal law or regulation that permits claims review beyond the period provided herein.

15 (b) No health care provider shall seek reimbursement from a payer for underpayment of
16 a claim later than eighteen (18) months from the date the first payment on the claim was made,
17 except if the claim is the subject of an appeal properly submitted pursuant to the payer's claims
18 appeal policies or the claim is subject to continual claims submission.

19 (c) For the purposes of this section, "health care provider" means an individual clinician,
20 either in practice independently or in a group, who provides health care services, and otherwise
21 referred to as a non-institutional provider ~~otherwise referred to as a non-institutional provider~~ [any](#)
22 [health care facility as defined in § 27-18-1.1, including any mental health and/or substance abuse](#)
23 [treatment facility, physician, or other licensed practitioners as identified by a review agent as](#)
24 [having primary responsibility for the care, treatment, and services provided to a patient.](#)

25 (d) Except for those contracts where the health insurer or plan has the right to
26 unilaterally amend the terms of the contract, the parties shall be able to negotiate contract terms
27 which allow for different time frames than is prescribed herein.

28 SECTION 3. Section 27-20-51 of the General Laws in Chapter 27-20 entitled "Nonprofit
29 Medical Service Corporations" is hereby amended to read as follows:

30 **27-20-51. Post-payment audits. [Effective January 1, 2014.]** -- (a) Except as otherwise
31 provided herein, any review, audit or investigation by a nonprofit medical service corporation of a
32 health care provider's claims which results in the recoupment or set-off of funds previously paid
33 to the health care provider in respect to such claims shall be completed no later than eighteen (18)
34 months after the completed claims were initially paid. This section shall not restrict any review,

1 audit or investigation regarding claims that are submitted fraudulently, are subject to a pattern of
2 inappropriate billing, are related to coordination of benefits, are duplicate claims, or are subject to
3 any federal law or regulation that permits claims review beyond the period provided herein.

4 (b) No health care provider shall seek reimbursement from a payer for underpayment of
5 a claim later than eighteen (18) months from the date the first payment on the claim was made,
6 except if the claim is the subject of an appeal properly submitted pursuant to the payer's claims
7 appeal policies or the claim is subject to continual claims submission.

8 (c) For the purposes of this section, "health care provider" means an individual clinician,
9 either in practice independently or in a group, who provides health care services, and otherwise
10 referred to as a non-institutional provider ~~otherwise referred to as a non-institutional provider~~ [any](#)
11 [health care facility as defined in § 27-18-1.1, including any mental health and/or substance abuse](#)
12 [treatment facility, physician, or other licensed practitioners as identified by a review agent as](#)
13 [having primary responsibility for the care, treatment, and services provided to a patient.](#)

14 (d) Except for those contracts where the health insurer or plan has the right to
15 unilaterally amend the terms of the contract, the parties shall be able to negotiate contract terms
16 which allow for different time frames than is prescribed herein.

17 SECTION 4. Section 27-41-69 of the General Laws in Chapter 27-41 entitled "Health
18 Maintenance Organizations" is hereby amended to read as follows:

19 **27-41-69. Post-payment audits. [Effective January 1, 2014.]** -- (a) Except as otherwise
20 provided herein, any review, audit or investigation by a health maintenance organization of a
21 health care provider's claims which results in the recoupment or set-off of funds previously paid
22 to the health care provider in respect to such claims shall be completed no later than eighteen (18)
23 months after the completed claims were initially paid. This section shall not restrict any review,
24 audit or investigation regarding claims that are submitted fraudulently, are subject to a pattern of
25 inappropriate billing, are related to coordination of benefits, are duplicate claims, or are subject to
26 any federal law or regulation that permits claims review beyond the period provided herein.

27 (b) No health care provider shall seek reimbursement from a payer for underpayment of
28 a claim later than eighteen (18) months from the date the first payment on the claim was made,
29 except if the claim is the subject of an appeal properly submitted pursuant to the payer's claims
30 appeal policies or the claim is subject to continual claims submission.

31 (c) For the purposes of this section, "health care provider" means an individual clinician,
32 either in practice independently or in a group, who provides health care services, and otherwise
33 referred to as a non-institutional provider ~~otherwise referred to as a non-institutional provider~~ [any](#)
34 [health care facility as defined in § 27-18-1.1, including any mental health and/or substance abuse](#)

1 [treatment facility, physician, or other licensed practitioners as identified by a review agent as](#)
2 [having primary responsibility for the care, treatment, and services provided to a patient.](#)

3 (d) Except for those contracts where the health insurer or plan has the right to
4 unilaterally amend the terms of the contract, the parties shall be able to negotiate contract terms
5 which allow for different time frames than is prescribed herein.

6 SECTION 5. This act shall take effect on January 1, 2015.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
A N A C T
RELATING TO INSURANCE - HEALTH INSURANCE

1 This act would redefine health care providers as identified by a review agent as having
2 primary responsibility for the care, treatment, and services provided to a patient and would
3 include mental health and/or substance abuse treatment facilities and physicians.

4 This act would take effect on January 1, 2015.

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