HOUSE BILL No. 1555

DIGEST OF INTRODUCED BILL

Citations Affected: IC 27-19-2; IC 27-19-5.

Synopsis: Notice of health exchange coverage grace period. Requires a health benefit exchange carrier to provide certain notice to providers, upon request, related to coverage for health care services furnished during a grace period. Specifies requirements for payment of related claims and violations of the requirements.

Effective: Upon passage.

Lehman

January 20, 2015, read first time and referred to Committee on Insurance.

Introduced

First Regular Session of the 119th General Assembly (2015)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type.~~

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~*this style type*~~ reconciles conflicts between statutes enacted by the 2014 Regular Session and 2014 Second Regular Technical Session of the General Assembly.

HOUSE BILL No. 1555

A BILL FOR AN ACT to amend the Indiana Code concerning insurance.

Be it enacted by the General Assembly of the State of Indiana:

SECTION 1. IC 27-19-2-3.6 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 3.6. "Carrier" means an entity regulated under this title that contracts to provide, deliver, arrange for, pay for, or reimburse the cost of health care services (as defined in IC 27-8-11-1).**

SECTION 2. IC 27-19-2-6.7 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 6.7. "Grace period" has the meaning set forth in 45 CFR 156.270(d).**

SECTION 3. IC 27-19-2-14.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 14.5. "Provider" has the meaning set forth in IC 27-8-11-1.**

SECTION 4. IC 27-19-5 IS ADDED TO THE INDIANA CODE AS

A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

Chapter 5. Notice of Qualified Health Plan Coverage

Sec. 1. (a) A carrier that issues a qualified health plan through a health benefit exchange shall:

(1) upon request of a provider concerning:

(A) an individual's eligibility for coverage under the qualified health plan;

(B) an individual's coverage or benefits under the qualified health plan;

(C) the status of a claim for coverage under the qualified health plan for health care services furnished; or

(D) a claim that is reported in a remittance advice for coverage under the qualified health plan for health care services furnished;

on a specific date or dates within the second or third month of a grace period; and

(2) not more than three (3) business days after receiving the request;

notify the provider that the date (or dates) that the provider has inquired about is within the grace period.

(b) A notice provided to a provider by a carrier under subsection (a) must include all the following:

(1) The purpose of the notice.

(2) The individual's full legal name and any unique numbers identifying the individual.

(3) The name of the qualified health plan.

(4) The qualified health plan's unique health plan identifier.

(5) The name of the carrier.

(6) The specific date on which the grace period for the individual's coverage under the qualified health plan began and the specific date on which the grace period will expire.

(c) A notice provided to a provider by a carrier under subsection (a) must be provided in the same medium through which the provider:

(1) made the request described in subsection (a); or

(2) normally receives claim remittance advice information from the carrier.

Sec. 2. If a carrier, in response to a request described in section 1(a) of this chapter:

(1) informs the provider that the individual is eligible for coverage under the qualified health plan for health care

services furnished on a particular date; and

(2) fails to inform the provider that the particular date is within the grace period;

the carrier shall pay a claim for health care services furnished by the provider to the individual on that particular date and shall not attempt to recover any payment made to the provider for the health care services.

Sec. 3. (a) A carrier that offers a qualified health plan through a health benefit exchange shall conspicuously post on the carrier's qualified health plan Internet web site, and on the health benefit exchange's Internet web site, an explanation of the action the carrier intends to take:

(1) during a grace period; and

(2) after a grace period ends;

concerning claims filed for health care services furnished on a date that occurs during the grace period.

(b) The explanation required by subsection (a) must include the following:

(1) Whether the carrier will hold payment on the claims until the required premium is paid or the grace period expires.

(2) Whether, and in what manner, the carrier will attempt to recover payments made on the claims during the grace period if the required premium is not paid.

Sec. 4. A carrier shall not, later than sixty (60) days after a grace period ends, commence an attempt to recover a claim payment made to a provider for health care services furnished during the grace period.

Sec. 5. A carrier shall maintain a provider assistance hotline that is staffed:

(1) at a minimum:

(A) on Monday through Friday from 8:00 a.m. to 5:00 p.m.; and

(B) on Saturday from 8:00 a.m. to 12:00 p.m.; and

(2) by personnel who are immediately available to speak directly with a provider.

Sec. 6. A contractual provision that conflicts with this chapter is void.

Sec. 7. A provider may seek injunctive relief for a carrier's violation of this chapter.

Sec. 8. The department shall adopt rules under IC 4-22-2, including emergency rules adopted in the manner provided under IC 4-22-2-37.1, to implement this chapter.

Sec. 9. (a) A violation of this chapter by a carrier is an unfair and deceptive act or practice in the business of insurance under IC 27-4-1-4.

(b) A carrier that violates this chapter with respect to health care services furnished to an individual by a provider shall pay any claim for health care services furnished by the provider to the individual during the grace period.

SECTION 5. **An emergency is declared for this act.**