

House Bill 3690

Sponsored by COMMITTEE ON RULES

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Specifies time period for health insurer to request refund of paid claim and specifies time period for health care provider to request additional payment and to resubmit claim denied by or refunded to different insurer.

A BILL FOR AN ACT

1
2 Relating to health insurance claims by providers; creating new provisions; and amending ORS
3 743.912 and 743.917.

4 **Be It Enacted by the People of the State of Oregon:**

5 **SECTION 1.** ORS 743.912 is amended to read:

6 743.912. (1) As used in this section, "refund" means the return, either directly or through an
7 offset to a future claim, of some or all of a payment already received by a health care provider.

8 (2) Except in the case of fraud or abuse of billing, and except as provided in subsections (3) and
9 (5) of this section, a health insurer may not:

10 (a) Request from a health care provider a refund of a payment previously made to satisfy a claim
11 unless the health insurer:

12 (A) Requests the refund in writing [*within 24 months*] **on or before the last day of the period**
13 **specified by the contract with the health care provider or 18 months** after the date the payment
14 was made, **whichever is earlier**; and

15 (B) Specifies in the written request why the health insurer believes the provider owes the re-
16 fund.

17 (b) Request that a contested refund be paid earlier than six months after the health care pro-
18 vider receives the request.

19 (3) A health insurer may not do the following for reasons related to coordination of benefits with
20 another health insurer or entity responsible for payment of a claim:

21 (a) Request from a health care provider a refund of a payment previously made to satisfy a claim
22 unless the health insurer:

23 (A) Requests the refund in writing within 30 months after the date the payment was made;

24 (B) Specifies in the written request why the health insurer believes the provider owes the re-
25 fund; and

26 (C) Includes in the written request the name and mailing address of the other health insurer or
27 entity that has primary responsibility for payment of the claim.

28 (b) Request that a contested refund be paid earlier than six months after the provider receives
29 the request.

30 (4) If a health care provider fails to contest a refund request in writing to the health insurer
31 within 30 days after receiving the request, the request is deemed accepted and the provider must

NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted.
New sections are in **boldfaced** type.

1 pay the refund within 30 days after the request is deemed accepted. If the provider has not paid the
 2 refund within 30 days after the request is deemed accepted, the health insurer may recover the
 3 amount through an offset to a future claim.

4 (5) A health insurer may at any time request from a health care provider a refund of a payment
 5 previously made to satisfy a claim if:

6 (a) A third party, including a government entity, is found responsible for satisfaction of the
 7 claim as a consequence of liability imposed by law; and

8 (b) The health insurer is unable to recover directly from the third party because the third party
 9 has already paid or will pay the provider for the health care services covered by the claim.

10 (6) If a contract between a health insurer and a health care provider conflicts with this section,
 11 the provisions of this section prevail. However, nothing in this section prohibits a health care pro-
 12 vider from choosing at any time to refund to a health insurer any payment previously made to sat-
 13 isfy a claim.

14 (7) This section neither permits nor precludes a health insurer from recovering from a sub-
 15 scriber, enrollee or beneficiary any amounts paid to a health care provider for benefits to which the
 16 subscriber, enrollee or beneficiary was not entitled under the terms and conditions of the health
 17 plan, insurance policy or other benefit agreement.

18 (8) This section *[does not apply to claims for health care services provided through dental-only*
 19 *health insurers, through Medicare or through Medicare supplemental plans]* **applies to health benefit**
 20 **plans.**

21 **SECTION 2.** ORS 743.917 is amended to read:

22 743.917. (1) Except in the case of fraud and except as provided in subsection [(2)] (3) of this
 23 section, a health care provider may not:

24 (a) Request additional payment from a health insurer to satisfy a claim unless the provider:

25 (A) Requests the additional payment in writing *[within 24 months]* **on or before the last day**
 26 **of the period specified by the contract or 18 months** after the date the claim was denied or
 27 payment intended to satisfy the claim was made, **whichever is earlier;** and

28 (B) Specifies in the written request why the provider believes the health insurer owes the ad-
 29 ditional payment.

30 (b) Request that an additional payment be paid earlier than six months after the health insurer
 31 receives the request.

32 **(2) A health insurer may not consider a health care provider's claim untimely if the claim**
 33 **is made no later than 12 months after a different insurer:**

34 **(a) Denied the claim in whole or in part; or**

35 **(b) Requested a refund of an erroneous payment made on the claim.**

36 [(2)] (3) A health care provider may not do the following for reasons related to coordination of
 37 benefits with another health insurer or entity responsible for payment of a claim:

38 (a) Request additional payment from a health insurer to satisfy a claim unless the provider:

39 (A) Requests the additional payment in writing within 30 months after the date the claim was
 40 denied or payment intended to satisfy the claim was made;

41 (B) Specifies in the written request why the provider believes the health insurer owes the ad-
 42 ditional payment; and

43 (C) Includes in the written request the name and mailing address of the other health insurer or
 44 entity that has disclaimed responsibility for payment of the claim.

45 (b) Request that the additional payment be paid earlier than six months after the health insurer

1 receives the request.

2 [(3)] (4) If a contract between a health insurer and a health care provider conflicts with this
3 section, the provisions of this section prevail. However, nothing in this section prohibits a health
4 insurer from choosing at any time to make additional payments to a health care provider to satisfy
5 a claim.

6 [(4)] (5) This section [*does not apply to claims for health care services provided through dental-*
7 *only health insurers, through Medicare or through Medicare supplemental plans*] **applies to health**
8 **benefit plans.**

9 **SECTION 3. The amendments to ORS 743.912 and 743.917 by sections 1 and 2 of this 2011**
10 **Act apply to contracts between health insurers and health care providers that are in effect**
11 **on or after the effective date of this 2011 Act.**

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