

May 13, 2015

**TO: The Honorable Mitch Greenlick, Chair
House Health Care Committee**

**FROM: Deborah Rumsey, Executive Director
Children's Health Alliance**

**SUBJECT: SB 523 A-Eng, Timely Grace Period Notification for All Health Care
Providers**

The Children's Health Alliance (CHA) is pleased to offer this statement for the record in support of SB 523 A-Eng, timely grace period notification for all health care providers. CHA is an association of over 100 primary care pediatricians and nurse practitioners across five counties in the Portland/Vancouver and Salem Metropolitan areas. The Alliance was established in 1998 to promote a culture of improvement among member practices with the mission to improve care for all children.

The Affordable Care Act established a 90-day "grace period" during which patients enrolled in qualified health plan (QHP) through the Exchange who have failed to pay premiums can remain eligible to receive care. SB 523 A-Eng. would require insurers to inform providers if the enrollee fails to pay their premium upon the provider's request for information regarding coverage, eligibility or benefits. It would also require insurers to reimburse claims in certain circumstances.

The Centers for Medicare and Medicaid Services (CMS) rules for claims during grace periods makes insurers responsible for claims in only the first 30 days of the grace period. This could mean that health care providers will be in a position of having to seek reimbursement directly from patients for care delivered in a grace period's final 60 days, or – more likely – writing off the cost as a loss.

CHA appreciates the opportunity to support SB 523 A-Eng, which will require timely notification of a patient's status with regard to the grace period and to clear up confusion about who will be responsible for the reimbursement of claims.