

STAFF MEASURE SUMMARY

Senate Committee On Health Care

Fiscal: No Fiscal Impact

Revenue: No Revenue Impact

Action Date: 04/08/15

Action: Do Pass With Amendments. (Printed A-Eng.)

Meeting Dates: 04/08

Vote:

Yeas: 5 - Knopp, Kruse, Monnes Anderson, Shields, Steiner Hayward

Prepared By: Zena Rockowitz, Committee Administrator

WHAT THE MEASURE DOES:

Requires provider that bills insurer for covered hospital, nursing, medical or surgical services to be reimbursed directly by insurer. Applies to reimbursements on claims on or after January 1, 2017.

ISSUES DISCUSSED:

- When there are no contracts between insurers and hospitals or ambulatory surgical centers, insurers pay directly to patients
- Patients sometimes forward checks to the wrong provider or keep the checks from insurers
- Patient are confused when there are multiple providers

EFFECT OF COMMITTEE AMENDMENT:

Applies date of January 1, 2017.

BACKGROUND:

Under Oregon law, a group health insurance policy may, on the request of a policyholder, provide reimbursement directly to hospital or person receiving services. In the case of ambulatory surgical centers, an insurer or a third-party administrator for a self-insured plan may reimburse out-of-network centers for services covered under the policy by reimbursing the center directly or reimbursing the center and beneficiary. When insurance companies do not have contracts with health care facilities, insurers will send reimbursement for provided services directly to patients. When the provider or hospital that delivered the health care services does not receive the payment, it is reported that administrative staff spend time trying to retrieve the payment and often do not receive them. This is reportedly more complicated when there are multiple providers rendering services.