

Senator Deidre M. Henderson proposes the following substitute bill:

COORDINATION OF HEALTH INSURANCE BENEFIT

AMENDMENTS

2016 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Norman K Thurston

Senate Sponsor: Deidre M. Henderson

LONG TITLE

General Description:

This bill addresses payments to health care providers through coordination of benefits.

Highlighted Provisions:

This bill:

► requires a health care provider to return overpayments, with interest, to patients in certain circumstances.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

31A-26-301.5, as last amended by Laws of Utah 2001, Chapter 240

Be it enacted by the Legislature of the state of Utah:

Section 1. Section **31A-26-301.5** is amended to read:

31A-26-301.5. Health care claims practices.



26 (1) Except as provided in Section 31A-8-407, an insured retains ultimate responsibility
27 for paying for health care services the insured receives. If a service is covered by one or more
28 individual or group health insurance policies, all insurers covering the insured have the
29 responsibility to pay valid health care claims in a timely manner according to the terms and
30 limits specified in the policies.

31 (2) (a) Except as provided in Section 31A-22-610.1, a health care provider may bill and
32 collect for any deductible, copayment, or uncovered service.

33 (b) A health care provider may bill an insured for services covered by health insurance
34 policies or may otherwise notify the insured of the expenses covered by the policies. However,
35 a provider may not make any report to a credit bureau, use the services of a collection agency,
36 or use methods other than routine billing or notification until the later of:

37 (i) the expiration of the time afforded to an insurer under Section 31A-26-301.6 to
38 determine its obligation to pay or deny the claim without penalty; or

39 (ii) in the case of medicare beneficiaries or retirees 65 years of age or older, 60 days
40 from the date medicare determines its liability for the claim.

41 (c) Beginning October 31, 1992, all insurers covering the insured shall notify the
42 insured of payment and the amount of payment made to the provider.

43 (d) A health care provider shall return to an insured any amount the insured overpaid,
44 including interest that begins accruing 45 days after the date of the overpayment, if:

45 (i) the insured has multiple insurers with whom the health care provider has contracts
46 that cover the insured; and

47 (ii) the health care provider becomes aware that the provider has received, for any
48 reason, payment for a claim in an amount greater than the provider's contracted rate allows.

49 (3) The commissioner shall make rules consistent with this chapter governing
50 disclosure to the insured of customary charges by health care providers on the explanation of
51 benefits as part of the claims payment process. These rules shall be limited to the form and
52 content of the disclosures on the explanation of benefits, and shall include:

53 (a) a requirement that the method of determination of any specifically referenced
54 customary charges and the range of the customary charges be disclosed; and

55 (b) a prohibition against an implication that the provider is charging excessively if the
56 provider is:

- 57 (i) a participating provider; and
- 58 (ii) prohibited from balance billing.