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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2022

A N A C T

RELATING TO INSURANCE -- ACCIDENT AND SICKNESS INSURANCE POLICIES

Introduced By: Senators DiMario, Miller, Euer, Lawson, Valverde, Zurier, Murray, and
Burke

Date Introduced: January 25, 2022

Referred To: Senate Health & Human Services

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 27-18-65 of the General Laws in Chapter 27-18 entitled "Accident
2 and Sickness Insurance Policies" is hereby amended to read as follows:

3 **27-18-65. Post-payment audits.**

4 (a) Except as otherwise provided herein, any review, audit, or investigation by a health
5 insurer or health plan of a healthcare provider's claims that results in the recoupment or set-off of
6 funds previously paid to the healthcare provider in respect to such claims shall be completed no
7 later than eighteen (18) months after the completed claims were initially paid, except that the period
8 for recoupment or set-off for claims submitted by a mental health and/or substance use disorder
9 provider, for those services, licensed by this state, and participating with the health insurer or health
10 plan, shall be no later than twelve (12) months. This section shall not restrict any review, audit, or
11 investigation regarding claims that are submitted fraudulently; are known, or should have been
12 known, by the healthcare provider to be a pattern of inappropriate billing according to the standards
13 for provider billing of their respective medical or dental specialties; are related to coordination of
14 benefits; are duplicate claims; or are subject to any federal law or regulation that permits claims
15 review beyond the period provided herein.

16 (b) No healthcare provider shall seek reimbursement from a payer for underpayment of a
17 claim later than eighteen (18) months from the date the first payment on the claim was made, except
18 if the claim is the subject of an appeal properly submitted pursuant to the payer's claims appeal
19 policies or the claim is subject to continual claims submission.

1 (c) For the purposes of this section, "healthcare provider" means an individual clinician,
2 either in practice independently or in a group, who provides healthcare services, and any healthcare
3 facility, as defined in § 27-18-1.1, including any mental health and/or substance abuse treatment
4 facility, physician, or other licensed practitioner as identified to the review agent as having primary
5 responsibility for the care, treatment, and services rendered to a patient.

6 (d) Except for those contracts where the health insurer or plan has the right to unilaterally
7 amend the terms of the contract, the parties shall be able to negotiate contract terms that allow for
8 different time frames than is prescribed herein.

9 SECTION 2. Section 27-19-56 of the General Laws in Chapter 27-19 entitled "Nonprofit
10 Hospital Service Corporations" is hereby amended to read as follows:

11 **27-19-56. Post-payment audits.**

12 (a) Except as otherwise provided herein, any review, audit, or investigation by a nonprofit
13 hospital service corporation of a healthcare provider's claims that results in the recoupment or set-
14 off of funds previously paid to the healthcare provider in respect to such claims shall be completed
15 no later than eighteen (18) months after the completed claims were initially paid, except that the
16 period for recoupment or set-off for claims submitted by a mental health and/or substance use
17 disorder provider, for those services, licensed by this state, and participating with the health insurer
18 or health plan, shall be no later than twelve (12) months. This section shall not restrict any review,
19 audit, or investigation regarding claims that are submitted fraudulently; are known, or should have
20 been known, by the healthcare provider to be a pattern of inappropriate billing according to the
21 standards for provider billing of their respective medical or dental specialties; are related to
22 coordination of benefits; are duplicate claims; or are subject to any federal law or regulation that
23 permits claims review beyond the period provided herein.

24 (b) No healthcare provider shall seek reimbursement from a payer for underpayment of a
25 claim later than eighteen (18) months from the date the first payment on the claim was made, except
26 if the claim is the subject of an appeal properly submitted pursuant to the payer's claims appeal
27 policies or the claim is subject to continual claims submission.

28 (c) For the purposes of this section, "healthcare provider" means an individual clinician,
29 either in practice independently or in a group, who provides healthcare services, and any healthcare
30 facility, as defined in § 27-18-1.1, including any mental health and/or substance abuse treatment
31 facility, physician, or other licensed practitioner identified to the review agent as having primary
32 responsibility for the care, treatment, and services rendered to a patient.

33 (d) Except for those contracts where the health insurer or plan has the right to unilaterally
34 amend the terms of the contract, the parties shall be able to negotiate contract terms that allow for

1 different time frames than is prescribed herein.

2 SECTION 3. Section 27-20-51 of the General Laws in Chapter 27-20 entitled "Nonprofit
3 Medical Service Corporations" is hereby amended to read as follows:

4 **27-20-51. Post-payment audits.**

5 (a) Except as otherwise provided herein, any review, audit, or investigation by a nonprofit
6 medical service corporation of a healthcare provider's claims that results in the recoupment or set-
7 off of funds previously paid to the healthcare provider in respect to such claims shall be completed
8 no later than eighteen (18) months after the completed claims were initially paid, except that the
9 period for recoupment or set-off for claims submitted by a mental health and/or substance use
10 disorder provider, for those services, licensed by this state, and participating with the health insurer
11 or health plan, shall be no later than twelve (12) months. This section shall not restrict any review,
12 audit, or investigation regarding claims that are submitted fraudulently; are known, or should have
13 been known, by the healthcare provider to be a pattern of inappropriate billing according to the
14 standards for provider billing of their respective medical or dental specialties; are related to
15 coordination of benefits; are duplicate claims; or are subject to any federal law or regulation that
16 permits claims review beyond the period provided herein.

17 (b) No healthcare provider shall seek reimbursement from a payer for underpayment of a
18 claim later than eighteen (18) months from the date the first payment on the claim was made, except
19 if the claim is the subject of an appeal properly submitted pursuant to the payer's claims appeal
20 policies or the claim is subject to continual claims submission.

21 (c) For the purposes of this section, "healthcare provider" means an individual clinician,
22 either in practice independently or in a group, who provides healthcare services, and any healthcare
23 facility, as defined in § 27-20-1, including any mental health and/or substance abuse treatment
24 facility, physician, or other licensed practitioner identified to the review agent as having primary
25 responsibility for the care, treatment, and services rendered to a patient.

26 (d) Except for those contracts where the health insurer or plan has the right to unilaterally
27 amend the terms of the contract, the parties shall be able to negotiate contract terms which allow
28 for different time frames than is prescribed herein.

29 SECTION 4. Section 27-41-69 of the General Laws in Chapter 27-41 entitled "Health
30 Maintenance Organizations" is hereby amended to read as follows:

31 **27-41-69. Post-payment audits.**

32 (a) Except as otherwise provided herein, any review, audit, or investigation by a health
33 maintenance organization of a healthcare provider's claims that results in the recoupment or set-off
34 of funds previously paid to the healthcare provider in respect to such claims shall be completed no

1 later than eighteen (18) months after the completed claims were initially paid, except that the period
2 for recoupment or set-off for claims submitted by a mental health and/or substance use disorder
3 provider, for those services, licensed by this state, and participating with the health insurer or health
4 plan, shall be no later than twelve (12) months. This section shall not restrict any review, audit, or
5 investigation regarding claims that are submitted fraudulently; are known, or should have been
6 known, by the healthcare provider to be a pattern of inappropriate billing according to the standards
7 for provider billing of their respective medical or dental specialties; are related to coordination of
8 benefits; are duplicate claims; or are subject to any federal law or regulation that permits claims
9 review beyond the period provided herein.

10 (b) No healthcare provider shall seek reimbursement from a payer for underpayment of a
11 claim later than eighteen (18) months from the date the first payment on the claim was made, except
12 if the claim is the subject of an appeal properly submitted pursuant to the payer's claims appeal
13 policies or the claim is subject to continual claims submission.

14 (c) For the purposes of this section, "healthcare provider" means an individual clinician,
15 either in practice independently or in a group, who provides healthcare services, and any healthcare
16 facility, as defined in § 27-41-2, including any mental health and/or substance abuse treatment
17 facility, physician, or other licensed practitioner identified to the review agent as having primary
18 responsibility for the care, treatment, and services rendered to a patient.

19 (d) Except for those contracts where the health insurer or plan has the right to unilaterally
20 amend the terms of the contract, the parties shall be able to negotiate contract terms which allow
21 for different time frames than is prescribed herein.

22 SECTION 5. This act shall take effect upon passage.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

A N A C T

RELATING TO INSURANCE -- ACCIDENT AND SICKNESS INSURANCE POLICIES

1 This act would provide that the period for health insurance providers to seek recoupment
2 or set-off for claims submitted by a mental health and/or substance use disorder provider, would be
3 reduced from eighteen months to not more than twelve (12) months.

4 This act would take effect upon passage.

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