

2013 -- H 6287

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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2013

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A N A C T

RELATING TO INSURANCE -- ACCIDENT AND SICKNESS INSURANCE POLICIES

Introduced By: Representative Robert B. Jacquard

Date Introduced: June 26, 2013

Referred To: House Corporations

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.** -- (a) Except as otherwise provided herein, any review,  
4 audit or investigation by a health insurer or health plan of a health care provider's claims which  
5 results in the recoupment or set-off of funds previously paid to the health care provider in respect  
6 to such claims shall be completed no later than ~~two (2) years~~ eighteen (18) months after the  
7 completed claims were initially paid. This section shall not restrict any review, audit or  
8 investigation regarding claims that are submitted fraudulently, are subject to a pattern of  
9 inappropriate billing, are related to coordination of benefits, are duplicate claims, or are subject to  
10 any federal law or regulation that permits claims review beyond the period provided herein.

11           (b) No health care provider shall seek reimbursement from a payer for underpayment of  
12 a claim later than ~~two (2) years~~ eighteen (18) months from the date the first payment on the claim  
13 was made, except if the claim is the subject of an appeal properly submitted pursuant to the  
14 payer's claims appeal policies or the claim is subject to continual claims submission.

15           (c) For the purposes of this section, "health care provider" means an individual clinician,  
16 either in practice independently or in a group, who provides health care services, and otherwise  
17 referred to as a non-institutional provider.

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

1 [for different time frames than is prescribed herein.](#)

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

4 **27-19-56. Post-payment audits.** -- (a) Except as otherwise provided herein, any review,  
5 audit or investigation by a nonprofit hospital service corporation of a health care provider's claims  
6 which results in the recoupment or set-off of funds previously paid to the health care provider in  
7 respect to such claims shall be completed no later than ~~two (2) years~~ [eighteen \(18\) months](#) after  
8 the completed claims were initially paid. This section shall not restrict any review, audit or  
9 investigation regarding claims that are submitted fraudulently, are subject to a pattern of  
10 inappropriate billing, are related to coordination of benefits, [are duplicate claims](#), or are subject to  
11 any federal law or regulation that permits claims review beyond the period provided herein.

12 (b) No health care provider shall seek reimbursement from a payer for underpayment of  
13 a claim later than ~~two (2) years~~ [eighteen \(18\) months](#) from the date the first payment on the claim  
14 was made, except if the claim is the subject of an appeal properly submitted pursuant to the  
15 payer's claims appeal policies or the claim is subject to continual claims submission.

16 (c) For the purposes of this section, "health care provider" means an individual clinician,  
17 either in practice independently or in a group, who provides health care services, and otherwise  
18 referred to as a non-institutional provider.

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

24 **27-20-51. Post-payment audits.** -- (a) Except as otherwise provided herein, any review,  
25 audit or investigation by a nonprofit ~~hospital~~ [medical](#) service corporation of a health care  
26 provider's claims which results in the recoupment or set-off of funds previously paid to the health  
27 care provider in respect to such claims shall be completed no later than ~~two (2) years~~ [eighteen](#)  
28 [\(18\) months](#) after the completed claims were initially paid. This section shall not restrict any  
29 review, audit or investigation regarding claims that are submitted fraudulently, are subject to a  
30 pattern of inappropriate billing, are related to coordination of benefits, [are duplicate claims](#), or are  
31 subject to any federal law or regulation that permits claims review beyond the period provided  
32 herein.

33 (b) No health care provider shall seek reimbursement from a payer for underpayment of  
34 a claim later than ~~two (2) years~~ [eighteen \(18\) months](#) from the date the first payment on the claim

1 was made, except if the claim is the subject of an appeal properly submitted pursuant to the  
2 payer's claims appeal policies or the claim is subject to continual claims submission.

3 (c) For the purposes of this section, "health care provider" means an individual clinician,  
4 either in practice independently or in a group, who provides health care services, and otherwise  
5 referred to as a non-institutional provider.

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 which allow  
8 for different time frames than is prescribed herein.

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

11 **27-41-69. Post-payment audits.** -- (a) Except as otherwise provided herein, any review,  
12 audit or investigation by a health maintenance organization of a health care provider's claims  
13 which results in the recoupment or set-off of funds previously paid to the health care provider in  
14 respect to such claims shall be completed no later than ~~two (2) years~~ eighteen (18) months after  
15 the completed claims were initially paid. This section shall not restrict any review, audit or  
16 investigation regarding claims that are submitted fraudulently, are subject to a pattern of  
17 inappropriate billing, are related to coordination of benefits, are duplicate claims, or are subject to  
18 any federal law or regulation that permits claims review beyond the period provided herein.

19 (b) No health care provider shall seek reimbursement from a payer for underpayment of  
20 a claim later than ~~two (2) years~~ eighteen (18) months from the date the first payment on the claim  
21 was made, except if the claim is the subject of an appeal properly submitted pursuant to the  
22 payer's claims appeal policies or the claim is subject to continual claims submission.

23 (c) For the purposes of this section, "health care provider" means an individual clinician,  
24 either in practice independently or in a group, who provides health care services, and otherwise  
25 referred to as a non-institutional provider.

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 5. This act shall take effect on January 1, 2014.

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EXPLANATION  
BY THE LEGISLATIVE COUNCIL  
OF

A N A C T  
RELATING TO INSURANCE -- ACCIDENT AND SICKNESS INSURANCE POLICIES

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1           This act would amend the amount of time permitted for a health payer to conduct a post-  
2 payment audit from two (2) years to eighteen (18) months and would establish an appeals process  
3 prior to any recoupment or set-off. It would also allow the parties to health insurance plans to  
4 negotiate different time frames than specified herein.

5           This act would take effect on January 1, 2014.

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