

2014 -- H 7797

=====
LC004986
=====

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2014

—————
A N A C T

RELATING TO HEALTH INSURANCE -- CO-INSURANCE AND DEDUCTIBLES

Introduced By: Representatives Naughton, Ferri, Shekarchi, Hull, and Bennett

Date Introduced: March 04, 2014

Referred To: House Corporations

It is enacted by the General Assembly as follows:

1 SECTION 1. Chapter 27-18 of the General Laws entitled "Accident and Sickness
2 Insurance Policies" is hereby amended by adding thereto the following section:
3 **27-18-82. Co-Insurance and deductible responsibility. --** The commissioner shall
4 require a health care entity or health plan operating in the state to recover all co-insurance and
5 deductible amounts due from patients for covered services as required under the insured's health
6 benefit plan. For purposes of this section, "co-insurance" is defined as a percentage of the
7 allowable charge, after a co-payment, if any, that an insured will pay for covered benefits. A
8 "deductible" is defined, for purposes of this section, as an annual dollar allowable charge, after a
9 co-payment, if any, that an insured will pay for covered benefits. A "deductible" is defined, for
10 purposes of this section, as an annual dollar amount that must be paid by an insured for covered
11 benefits that the insured uses before the carrier's health benefit plan becomes obligated to pay for
12 covered benefits: such deductible does not include any portion of premiums paid by an insured.
13 Insurers shall include the co-insurance and deductible amounts due from the insured for covered
14 benefits in their payments to providers; provided, however, that such payment shall not be
15 dependent on the insurer recovering the co-insurance and deductible prior to processing and
16 paying a claim made by a provider. Nothing in this section shall prohibit providers and insurers
17 from mutually agreeing to alternative billing and payment processes, when it has been determined
18 that the insured has secondary health benefits for the health care services provided. This section
19 shall not pertain to the collection of co-payments which is a fixed dollar amount structured by the

1 insurer that is paid by an insured to a provider, at the time the insured receives covered services.

2 SECTION 2. Chapter 27-19 of the General Laws entitled "Nonprofit Hospital Service
3 Corporations" is hereby amended by adding thereto the following section:

4 **27-19-73. Co-Insurance and deductible responsibility. --** The commissioner shall
5 require a nonprofit hospital service corporation operating in the state to recover all co-insurance
6 and deductible amounts due from patients for covered services as required under the insured's
7 health benefit plan. For purposes of this section, "co-insurance" is defined as a percentage of the
8 allowable charge after a co-payment, if any, that an insured will pay for covered benefits. A
9 "deductible" is defined, for purposes of this section, as an annual dollar allowable charge, after a
10 co-payment, if any, that an insured will pay for covered benefits. A "deductible" is defined, for
11 purposes of this section, as an annual dollar amount that must be paid by an insured for covered
12 benefits that the insured uses before the carrier's health benefit plan becomes obligated to pay for
13 covered benefits; such deductible does not include any portion of premiums paid by an insured.
14 Insurers shall include the co-insurance and deductible amounts due from the insured for covered
15 benefits in their payments to providers; provided, however, that such payment shall not be
16 dependent on the insurer recovering the co-insurance and deductible prior to processing and
17 paying a claim made by a provider. Nothing in this section shall prohibit providers and insurers
18 from mutually agreeing to alternative billing and payment processes when it has been determined
19 that the insured has secondary health benefits for the health care services provided. This section
20 shall not pertain to the collection of co-payments which is a fixed dollar amount structured by the
21 insurer that is paid by an insured to a provider, at the time the insured receives covered services.

22 SECTION 3. Chapter 27-20 of the General Laws entitled "Non-profit Medical Service
23 Corporations" is hereby amended by adding thereto the following section:

24 **27-20-69. Co-Insurance and deductible responsibility. --** The commissioner shall
25 require a nonprofit medical service corporation operating in the state to recover all co-insurance
26 and deductible amounts due from patients for covered services as required under the insured's
27 health benefit plan. For purposes of this section, "co-insurance" is defined as a percentage of the
28 allowable charge, after a co-payment, if any, that an insured will pay for covered benefits. A
29 "deductible" is defined, for purposes of this section, as an annual dollar allowable charge, after a
30 co-payment, if any, that an insured will pay for covered benefits. A "deductible" is defined, for
31 purposes of this section, as an annual dollar amount that must be paid by an insured for covered
32 benefits that the insured uses before the carrier's health benefit plan becomes obligated to pay for
33 covered benefits; such deductible does not include any portion of premiums paid by an insured.
34 Insurers shall include the co-insurance and deductible amounts due from the insured for covered

1 benefits in their payments to providers; provided, however, that such payment shall not be
2 dependent on the insurer recovering the co-insurance and deductible prior to processing and
3 paying a claim made by a provider. Nothing in this section shall prohibit providers and insurers
4 from mutually agreeing to alternative billing and payment processes when it has been determined
5 that the insured has secondary health benefits for the health care services provided. This section
6 shall not pertain to the collection of co-payments, which is a fixed dollar amount structured by the
7 insurer that is paid by an insured to a provider at the time the insured receives covered services.

8 SECTION 4. Chapter 27-41 of the General Laws entitled "Health Maintenance
9 Organizations" is hereby amended by adding thereto the following section:

10 **27-41-86. Co-Insurance and deductible responsibility. -- The commissioner shall**
11 require a health maintenance organization operating in the state to recover all co-insurance and
12 deductible amounts due from patients for covered services as required under the insured's health
13 benefit plan. For purposes of this section, "co-insurance" is defined as a percentage of the
14 allowable charge, after a co-payment, if any, that an insured will pay for covered benefits. A
15 "deductible" is defined, for purposes of this section, as an annual dollar allowable charge, after a
16 co-payment, if any, that an insured will pay for covered benefits. A "deductible" is defined, for
17 purposes of this section, as an annual dollar amount that must be paid by an insured for covered
18 benefits that the insured uses before the carrier's health benefit plan becomes obligated to pay for
19 covered benefits; such deductible does not include any portion of premiums paid by an insured.
20 Insurers shall include the co-insurance and deductible amounts due from the insured for covered
21 benefits in their payments to providers; provided, however, that such payment shall not be
22 dependent on the insurer recovering the co-insurance and deductible prior to processing and
23 paying a claim made by a provider. Nothing in this section shall prohibit providers and insurers
24 from mutually agreeing to alternative billing and payment processes when it has been determined
25 that the insured has secondary health benefits for the health care services provided. This section
26 shall not pertain to the collection of co-payments, which is a fixed dollar amount structured by the
27 insurer that is paid by an insured to a provider, at the time the insured receives covered services.

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

=====
LC004986
=====

EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

A N A C T
RELATING TO HEALTH INSURANCE -- CO-INSURANCE AND DEDUCTIBLES

1 This act would require healthcare entities, health plans, non-profit hospital service
2 providers, non-profit medical service corporations, and health maintenance organizations to
3 recover all co-insurance and deductible amounts due from patients for covered services as
4 required under the insured's health benefit plan.

5 This act would take effect upon passage.

=====
LC004986
=====