

MAINE STATE LEGISLATURE

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115th MAINE LEGISLATURE

FIRST REGULAR SESSION-1991

Legislative Document

No. 1527

S.P. 573

In Senate, April 16, 1991

Reference to the Committee on Banking and Insurance suggested and ordered printed.

A handwritten signature in cursive script, reading "Joy J. O'Brien".

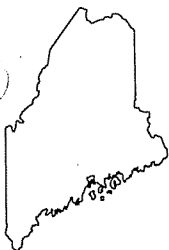
JOY J. O'BRIEN
Secretary of the Senate

Presented by Senator BALDACCI of Penobscot
Cosponsored by Representative PINES of Limestone and Senator BRAWN of Knox.

STATE OF MAINE

IN THE YEAR OF OUR LORD
NINETEEN HUNDRED AND NINETY-ONE

**An Act to Require Health Insurance to Honor Patient Assignment
Requests.**



2 Be it enacted by the People of the State of Maine as follows:

4 Sec. 1. 24 MRSA §2332-E is enacted to read:

6 §2332-E. Assignment of benefits

8 An individual or group nonprofit medical services plan
10 contract or nonprofit health care plan contract may not contain
12 language prohibiting an insured from assigning any benefits
14 payable under the plan to a provider of medical services
16 providing services covered under the contract. Any such
18 assignment of benefits, in writing and presented to the plan,
20 must be honored by the plan.

22 Sec. 2. 24-A MRSA §2713-B is enacted to read:

24 §2713-B. Assignment of benefits

26 A policy may not contain language prohibiting an insured
28 from assigning any benefits payable under the policy to a
30 provider of medical services providing services covered under the
32 policy. Any such assignment of benefits, in writing and
34 presented to the insurer, must be honored by the insurer.

36 Sec. 3. 24-A MRSA §2677-A is enacted to read:

38 §2677-A. Assignment of benefits

40 An insurer or administrator providing for payment of covered
42 health care services rendered by providers who are not preferred
44 providers under section 2677, shall honor a request in writing
46 signed by the patient to provide the payment owed directly to the
48 provider of the medical service.

Sec. 4. 24-A MRSA §2831, as amended by PL 1987, c. 219, is further amended to read:

§2831. Hospital, medical benefits -- direct payment

Any such group or blanket policy may include benefits payable on account of hospital or medical or surgical aid for an employee or other member of the group insured by such policy, his or her ~~that~~ person's spouse, child or children or other dependents, and may must provide that, at the insured's option, any such benefits be paid by the insurer directly to the hospital, physician, surgeon doctor, nurse or other person furnishing services covered by such provisions of the policy.

Sec. 5. 24-A MRSA §4206-A is enacted to read:

2 §4206-A. Assignment of benefits

4 Any health maintenance organization that pays an indemnity
6 benefit for medical services rendered by a medical provider,
8 shall honor a request in writing by an enrollee to provide the
 payment owed directly to the provider of the medical service.

10

STATEMENT OF FACT

12 This bill requires health insurance companies, preferred
14 provider organizations and health maintenance organizations to
 honor signed assignment of benefits by insureds and enrollees.