

MAINE STATE LEGISLATURE

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204
H. OF S.

L.D. 2282

(Filing No. S- 653)

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STATE OF MAINE
SENATE
115TH LEGISLATURE
SECOND REGULAR SESSION

COMMITTEE AMENDMENT " A" to S.P. 889, L.D. 2282, Bill, "An Act to Require Insurance Companies to Honor Assignment of Medical Benefits for Clients of the Department of Human Services"

Amend the bill by striking out everything after the enacting clause and before the statement of fact and inserting in its place the following:

'Sec. 1. 22 MRSA §14, sub-§2-H is enacted to read:

2-H. Honoring of assignments. The following provisions apply to claims for payment submitted by the department or a health care provider.

A. Whenever a participating health care provider or the department submits claims to an insurer, as defined in Title 24-A, section 4, or to a health maintenance organization on behalf of a Medicaid or Maine Health Program recipient for whom an assignment of rights has been received, or whose rights have been assigned by the operation of law, the insurer or health maintenance organization doing business in the State must respond within 60 days of receipt of a claim by forwarding payment or issuing a notice of denial directly to the submitter of the claim.

B. Whenever a nonparticipating health care provider or the department on behalf of a nonparticipating provider submits claims to an insurer, as defined in Title 24-A, section 4, or a health maintenance organization that operates through a series of participation agreements on behalf of a Medicaid or Maine Health Program recipient for whom an assignment of rights has been received or whose rights have been assigned by the operation of law, the insurer or health maintenance organization doing business in the State must respond within 60 days of receipt of a claim by forwarding payment, issuing a notice of denial or issuing a copy of the explanation of benefits directly to the submitter of the claim.

R. of S.

FISCAL NOTE

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1992-93

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REVENUES

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General Fund \$19,020

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Other Funds 30,980

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The collection of payments from insurers as a result of claims submitted by the Department of Human Services on behalf of a Medicaid or Maine Health Program recipient will increase revenue annually by an estimated total of \$50,000 beginning in fiscal year 1992-93. The General Fund share of this revenue is \$19,020. The balance of the revenue, \$30,980, will be deposited as dedicated revenue to the Department of Human Services.'

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STATEMENT OF FACT

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This amendment excludes nonprofit service organizations from coverage and clarifies the responsibilities of an insurer or health maintenance organization to provide for payment or notice of denial of a claim or the provision of an explanation of benefits.

Reported by Sen. Conley of Cumberland for the Committee on Human Resources. Reproduced and distributed pursuant to Senate Rule 12.

(3/20/92)

(Filing Number S-653)