

MAINE STATE LEGISLATURE

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121st MAINE LEGISLATURE

FIRST REGULAR SESSION-2003

Legislative Document

No. 488

H.P. 377

House of Representatives, February 4, 2003

An Act To Reduce Administrative Expenses in Health Insurance

Reference to the Committee on Insurance and Financial Services suggested and ordered printed.

Millicent M. MacFarland
MILLICENT M. MacFARLAND
Clerk

Presented by Representative O'NEIL of Saco.

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

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Sec. 1. 24-A MRSA §2436, sub-§2-A, as enacted by PL 2001, c. 569, §1, is amended to read:

2-A. For purposes of this section, an "undisputed claim" means a timely claim for payment of covered health care expenses under a policy or certificate providing health care coverage that is submitted to an insurer ~~on~~ in the insurer's standard ~~claim form~~ electronic data format using the most current published procedural codes with all the required fields completed with correct and complete information in accordance with the insurer's published claims filing requirements. This subsection applies only to a policy or certificate of a health plan as defined in section 4301-A, subsection 7.

Sec. 2. 24-A MRSA §4235, as enacted by PL 1993, c. 477, Pt. D §12 and affected by Pt. F, §1, is amended to read:

§4235. Standardized claim forms

~~On or after December 1, 1993, all~~ All health maintenance organizations providing payment or reimbursement for diagnosis or treatment of a condition or a complaint by a licensed physician or chiropractor must accept the current standardized claim form for professional services approved by the Federal Government. ~~On or after December 1, 1993, all~~ All health maintenance organizations providing payment or reimbursement for diagnosis or treatment of a condition or a complaint by a licensed hospital must accept the current standardized claim form for professional or facility services, as applicable, approved by the Federal Government. A health maintenance organization may not be required to accept a claim submitted on a form other than the applicable form specified in this section.

Sec. 3. Effective date. That section of this Act that amends the Maine Revised Statutes, Title 24-A, section 2436, subsection 2-A takes effect January 1, 2005.

SUMMARY

This bill will reduce administrative expenses for health care by requiring providers to submit forms electronically. Effective January 1, 2005, the bill prevents providers from collecting interest on late payments from insurers if the claim is not submitted electronically. The bill also permits health maintenance organizations to refuse a claim not submitted on a form that the health maintenance organizations are required to accept.