

MAINE STATE LEGISLATURE

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121st MAINE LEGISLATURE

FIRST REGULAR SESSION-2003

Legislative Document

No. 897

S.P. 292

In Senate, February 20, 2003

An Act Concerning Health Insurance Reimbursement and Contracting Practices

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

A handwritten signature in cursive script that reads "Joy J. O'Brien".

JOY J. O'BRIEN
Secretary of the Senate

Presented by Senator MAYO of Sagadahoc.
Cosponsored by Representative MARRACHÉ of Waterville and
Senator: LaFOUNTAIN of York, Representatives: DUDLEY of Portland, KANE of Saco,
O'NEIL of Saco, SULLIVAN of Biddeford.

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

4 **Sec. 1. 24-A MRSA §4303, sub-§3-C** is enacted to read:

6 3-C. Notice of amendments to provider agreements. A
8 carrier offering a health plan in this State shall notify
10 participating providers and provide them with copies of proposed
12 amendments to provider agreements at least 90 days prior to their
14 proposed effective date.

16 **Sec. 2. 24-A MRSA §4304, sub-§§4-A and 4-B** are enacted to read:

18 4-A. Limits on pursuit of refunds. A carrier offering a
20 health plan in this State may have no more than 90 days after
22 making payment to a provider for a claim or bill for medical
24 services rendered to request a refund or partial refund of the
26 payment, unless fraudulent or materially incorrect information
28 was provided at the time of submission of the claim. If a
30 carrier requests a refund or partial refund, the carrier shall
32 provide written notice to the provider of the reasons for the
34 refund or partial refund request, identify each previously paid
36 claim for which a refund or partial refund is sought and describe
38 the reason that the refund or partial refund is being sought. A
40 carrier may not attempt to recover the requested refund or
42 partial refund by withholding or reducing another payment that is
owed by the carrier.

4-B. Prohibition on changes to procedural coding. A
carrier offering a health plan in this State may not change the
procedural code assigned to a medical service in a claim
submitted by a provider. The carrier shall either accept the
procedural code assigned by the provider and pay the provider or
deny the procedural code.

SUMMARY

38 The bill requires health insurers to give providers 90 days'
40 written notice of any amendments to provider contracts. It
42 requires health insurers to seek refunds or partial refunds of
previously paid claims within 90 days of submission. Finally, it
prohibits health insurers from changing the procedural coding
decisions made by providers.