

Bill as Introduced

SB 336 - AS INTRODUCED

2012 SESSION

12-2821
01/05

SENATE BILL **336**

AN ACT relative to insurance payments for health care providers.

SPONSORS: Sen. De Blois, Dist 18; Sen. Bradley, Dist 3; Sen. Carson, Dist 14; Sen. Gallus,
Dist 1; Sen. Lambert, Dist 13; Sen. Luther, Dist 12; Sen. Sanborn, Dist 7;
Rep. Warden, Hills 7; Rep. Manuse, Rock 5; Rep. Reagan, Rock 1

COMMITTEE: Commerce

ANALYSIS

This bill allows health care providers to bill for and receive direct reimbursement for their services.

Explanation: Matter added to current law appears in ***bold italics***.
Matter removed from current law appears [~~in brackets and struckthrough.~~]
Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Twelve

AN ACT relative to insurance payments for health care providers.

Be it Enacted by the Senate and House of Representatives in General Court convened:

1 1 New Paragraph; Prompt Payment; Individual; Reimbursement for Health Care Providers.

2 Amend RSA 415:6-h by inserting after paragraph V the following new paragraph:

3 VI. Health care providers may bill for and receive direct reimbursement for their services.

4 2 New Paragraph; Prompt Payment; Group; Reimbursement for Health Care Providers. Amend

5 RSA 415:18-k by inserting after paragraph V the following new paragraph:

6 VI. Health care providers may bill for and receive direct reimbursement for their services.

7 3 New Paragraph; Prompt Payment; Health Service Corporations; Reimbursement for Health

8 Care Providers. Amend RSA 420-A:17-d by inserting after paragraph V the following new

9 paragraph:

10 VI. Health care providers may bill for and receive direct reimbursement for their services.

11 4 New Paragraph; New Paragraph; Prompt Payment; Managed Care; Reimbursement for

12 Health Care Providers. Amend RSA 420-J:8-a by inserting after paragraph V the following new

13 paragraph:

14 VI. Health care providers may bill for and receive direct reimbursement for their services.

15 5 Effective Date. This act shall take effect 60 days after its passage.

SB 336 - AS AMENDED BY THE SENATE

03/21/12 1119s

2012 SESSION

12-2821
01/05

SENATE BILL **336**

AN ACT relative to medical payments coverage.

SPONSORS: Sen. De Blois, Dist 18; Sen. Bradley, Dist 3; Sen. Carson, Dist 14; Sen. Gallus, Dist 1; Sen. Lambert, Dist 13; Sen. Luther, Dist 12; Sen. Sanborn, Dist 7; Rep. Warden, Hills 7; Rep. Manuse, Rock 5; Rep. Reagan, Rock 1

COMMITTEE: Commerce

AMENDED ANALYSIS

This bill clarifies payments under medical coverage under motor vehicle policies.

Explanation: Matter added to current law appears in ***bold italics***.
Matter removed from current law appears [~~in brackets and struckthrough.~~]
Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Twelve

AN ACT relative to medical payments coverage.

Be it Enacted by the Senate and House of Representatives in General Court convened:

1 1 Medical Payments Coverage. Amend RSA 264:16, III-V to read as follows:

2 III. Medical payments coverage shall not be assignable to any health care provider *and no*
3 *health care provider shall submit, on behalf of an insured, a claim to an auto insurer for*
4 *payment under the medical payments provision in a motor vehicle liability policy subject to*
5 *this section.*

6 IV. *An auto insurer shall make payments for medical costs under medical payments*
7 *coverage as follows:*

8 (a) *Upon submission by the policyholder of a claim for an incurred but unpaid*
9 *medical cost without further instruction, payment of the claim shall be made in the name*
10 *of the policyholder and the provider and sent to the policyholder.*

11 (b) *Upon submission by a policyholder of a claim for an incurred but unpaid*
12 *medical cost with express instruction from the policyholder directing payment be made to*
13 *the provider, payment shall be made only in the name of the provider and sent directly to*
14 *the provider.*

15 (c) *Upon submission by the policyholder of a claim for a paid medical cost,*
16 *payment shall be made in the name of the policyholder and sent to the policyholder.*

17 [~~IV-~~] V. The insured shall have the exclusive right to submit a claim for medical expenses
18 under either medical payments coverage or a health insurance policy or both, as the insured elects;
19 provided, however, an insured shall not be entitled to duplicate payment from medical payments
20 coverage and a health insurance policy for the same medical expense.

21 [~~V-~~] VI. This section shall not apply to any commercial policy insuring more than 4
22 automobiles, nor to any commercial policy covering a garage, automobile sales agency, repair shop,
23 service station, public parking place operation hazards, or trucking operation.

24 2 Effective Date. This act shall take effect 60 days after its passage.

Amendments



Amendment to SB 336

1 Amend the title of the bill by replacing it with the following:

2

3 AN ACT relative to medical payments coverage.

4

5 Amend the bill by replacing all after the enacting clause with the following:

6

7 1 Medical Payments Coverage. Amend RSA 264:16, III-V to read as follows:

8 III. Medical payments coverage shall not be assignable to any health care provider *and no*
9 *health care provider shall submit, on behalf of an insured, a claim to an auto insurer for*
10 *payment under the medical payments provision in a motor vehicle liability policy subject to*
11 *this section.*

12 IV. *An auto insurer shall make payments for medical costs under medical payments*
13 *coverage as follows:*

14 (a) *Upon submission by the policyholder of a claim for an incurred but unpaid*
15 *medical cost without further instruction, payment of the claim shall be made in the name*
16 *of the policyholder and the provider and sent to the policyholder.*

17 (b) *Upon submission by a policyholder of a claim for an incurred but unpaid*
18 *medical cost with express instruction from the policyholder directing payment be made to*
19 *the provider, payment shall be made only in the name of the provider and sent directly to*
20 *the provider.*

21 (c) *Upon submission by the policyholder of a claim for a paid medical cost,*
22 *payment shall be made in the name of the policyholder and sent to the policyholder.*

23 [IV-] V. The insured shall have the exclusive right to submit a claim for medical expenses
24 under either medical payments coverage or a health insurance policy or both, as the insured elects;
25 provided, however, an insured shall not be entitled to duplicate payment from medical payments
26 coverage and a health insurance policy for the same medical expense.

27 [V-] VI. This section shall not apply to any commercial policy insuring more than 4
28 automobiles, nor to any commercial policy covering a garage, automobile sales agency, repair shop,
29 service station, public parking place operation hazards, or trucking operation.

30 2 Effective Date. This act shall take effect 60 days after its passage.



2012-0924s

AMENDED ANALYSIS

This bill clarifies payments under medical coverage under motor vehicle policies.



Amendment to SB 336

1 Amend the title of the bill by replacing it with the following:

2

3 AN ACT relative to medical payments coverage.

4

5 Amend the bill by replacing all after the enacting clause with the following:

6

7 1 Medical Payments Coverage. Amend RSA 264:16, III-V to read as follows:

8 III. Medical payments coverage shall not be assignable to any health care provider *and no*
9 *health care provider shall submit, on behalf of an insured, a claim to an auto insurer for*
10 *payment under the medical payments provision in a motor vehicle liability policy subject to*
11 *this section.*

12 IV. *An auto insurer shall make payments for medical costs under medical payments*
13 *coverage as follows:*

14 (a) *Upon submission by the policyholder of a claim for an incurred but unpaid*
15 *medical cost without further instruction, payment of the claim shall be made in the name*
16 *of the policyholder and the provider and sent to the policyholder.*

17 (b) *Upon submission by a policyholder of a claim for an incurred but unpaid*
18 *medical cost with express instruction from the policyholder directing payment be made to*
19 *the provider, payment shall be made only in the name of the provider and sent directly to*
20 *the provider.*

21 (c) *Upon submission by the policyholder of a claim for a paid medical cost,*
22 *payment shall be made in the name of the policyholder and sent to the policyholder.*

23 [~~IV.~~] V. The insured shall have the exclusive right to submit a claim for medical expenses
24 under either medical payments coverage or a health insurance policy or both, as the insured elects;
25 provided, however, an insured shall not be entitled to duplicate payment from medical payments
26 coverage and a health insurance policy for the same medical expense.

27 [~~V.~~] VI. This section shall not apply to any commercial policy insuring more than 4
28 automobiles, nor to any commercial policy covering a garage, automobile sales agency, repair shop,
29 service station, public parking place operation hazards, or trucking operation.

30 2 Effective Date. This act shall take effect 60 days after its passage.



2012-1119s

AMENDED ANALYSIS

This bill clarifies payments under medical coverage under motor vehicle policies.



Committee Minutes

**SENATE CALENDAR NOTICE
COMMERCE**

Senator Russell Prescott Chairman
 Senator Andy Sanborn V Chairman
 Senator Tom De Blois
 Senator Matthew Houde
 Senator Raymond White

| | |
|--|---|
| For Use by Senate Clerk's Office ONLY | |
| <input type="checkbox"/> | Bill Status |
| <input type="checkbox"/> | Docket |
| <input type="checkbox"/> | Calendar |
| Proof: <input type="checkbox"/> | Calendar <input type="checkbox"/> Bill Status |

Date: February 1, 2012

HEARINGS

Tuesday

2/7/2012

COMMERCE

LOB 102

9:00 AM

(Name of Committee)

(Place)

(Time)

EXECUTIVE SESSION MAY FOLLOW

Comments: SB 204 was previously recessed on January 24, 2012.

| | | |
|---------|-------|---|
| 9:00 AM | SB204 | adopting amendments to Article 9 of the Uniform Commercial Code relative to secured transactions. |
| 9:10 AM | SB336 | relative to insurance payments for health care providers. |
| 9:25 AM | SB352 | relative to low-profit limited liability companies. |
| 9:40 AM | SB368 | relative to nondepository trust companies. |

Sponsors:

SB204

Sen. Bob Odell

Rep. John Hunt

SB336

Sen. Tom De Blois

Sen. Jeb Bradley

Sen. Sharon Carson

Sen. John Gallus

Sen. Gary Lambert

Sen. Jim Luther

Sen. Andy Sanborn

Rep. Mark Warden

Rep. Andrew Manuse

Rep. John Reagan

SB352

Sen. Sharon Carson

Sen. Bob Odell

Rep. Betsy McKinney

Rep. Mary Griffin

Rep. Jennifer Coffey

Rep. Marshall Quandt

Rep. Donna Schlachman

SB368

Sen. Sharon Carson

Rep. Matt Quandt

Rep. Mary Griffin

Patrick Murphy 271-3067

Sen. Russell Prescott

Chairman

Commerce Committee Hearing Report

To: Member of the Senate

From: Patrick Murphy, *Legislative Aide* & R.J. O'Riordan, *Senate Intern*

Re: Hearing Report on SB 336 relative to insurance payments for health care providers.

Hearing Date: February 7, 2012

Members of the Committee Present:
Senator Prescott, Senator Sanborn, Senator De Blois, Senator Houde

Members of the Committee Absent:
Senator White

Sponsor(s):
Sen. De Blois, Dist 18; Sen. Bradley, Dist 3; Sen. Carson, Dist 14; Sen. Gallus, Dist 1; Sen. Lambert, Dist 13; Sen. Luther, Dist 12; Sen. Sanborn, Dist 7; Rep. Warden, Hills 7; Rep. Manuse, Rock 5; Rep. Reagan, Rock 1

What the bill does:
This bill allows health care providers to bill for and receive direct reimbursement for their services.

Supporters of the bill:
Sen De Blois, Dist 18; Sen Luther, Dist 12; Sen Gallus, Dist 1; Rep Manuse, Rock 5; Scott Colby, NH Medical Society; Jim Monahan, NH Chiropractic Association; Paula Minnehan, NH Hospital Association

Those in opposition to the bill:
Paula Rogers, Anthem Blue Cross/Blue Shield

Those Speaking to the bill (neutral):
Deborah O'Loughlin, Department of Insurance; Tyler Brannen, NH Department of Insurance

Summary of testimony received:

Senator De Blois, Dist 18

- This bill was filed at the request of NH physicians. This will allow health care providers to bill for and receive direct reimbursement for their services.
- Currently, a policy holder settles a claim with the insurance company and compensation is sent to the policy holder so that he or she can pay the debt from the medical care. Sometimes, policy holders use the claim money for unrelated expenses and the healthcare professionals are either not paid in a timely manner or are not paid at all.
- This bill is modeled after a bill from last year declaring ambulance payments would be made in the same fashion.

Scott Colby, NH Medical Society

- The finances of professional medicine are becoming endangered, as the uncertainty of pay makes medicine a riskier business.
- This legislation will facilitate the billing process. Reimbursement is not happening all the time, even though it should be possible based on the insurance claim return.
- In response to questions from the Committee, Mr. Colby responded that there are industry safeguards to prevent double payment and if the process is run correctly this shouldn't be a concern.

Paula Rogers, Anthem Blue Cross/Blue Shield

- This legislation is very broad.
- Health care providers don't have a direct relationship with auto insurance carriers.
- It seems like the intent of this bill should be talking about Med Pay.
- This would ensure that places such as hospitals receive compensation for their work while not infringing on the rights of individuals.
- Contracts, which would be drafted for direct payment, are very useful for insurance companies, as they give an accurate assessment of costs, which is necessary for proper budgeting.

Deborah O'Loughlin, Department of Insurance

- Med Pay is limited to certain aspects of medical care. It does not cover the extra treatments in the medical community in most circumstances.
- The Department of Insurance would be willing to work with the committee to mold the bill to better suit the needs of both insurance companies and health care providers.
- In response to questions from the Committee, the witness responded that the funds that are not being reimbursed are relatively small amounts of money. The issue of contracts spans across many aspects of the healthcare system. This could have a far reaching influence for a relatively smaller issue.

Paula Minnehan, NH Hospital Association

- The situation has been getting worse, especially with the growing popularity of high deductible plans.
- Assignability used to be in place to help with the problem of selecting care methods and payment methods.

Jim Monahan, NH Chiropractic Association

- There is a similar bill in the House that refers specifically to chiropractors. This bill will facilitate payment from insurance companies to chiropractors when insurance covers such treatment.

Tyler Brannen, NH Department of Insurance

- The ambulance issue is a different issue. That is focused on contracts, not on Med Pay.

Funding:

None

Action:

Pending

Speakers

Senate Commerce Committee: Sign-In Sheet

Date: February 7, 2012

Time: 9:10 a.m.

Public Hearing on SB 336

SB 336 Relative to insurance payments for health care providers.

| Name | Representing | Support | Oppose | Speaking? | Yes | No |
|-----------------|-----------------------------|-------------------------------------|----------------------------|-----------|-------------------------------------|-------------------------------------|
| Sen Tom DeBlois | Dist. #18 | <input checked="" type="checkbox"/> | <input type="checkbox"/> | Speaking? | <input type="checkbox"/> | <input type="checkbox"/> |
| Sen Jim Luther | Dist. #12 | <input checked="" type="checkbox"/> | <input type="checkbox"/> | Speaking? | <input type="checkbox"/> | <input type="checkbox"/> |
| SEN. GAUVS | DIST. #1 | <input checked="" type="checkbox"/> | <input type="checkbox"/> | Speaking? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Scott Colby | NH Medical Society | <input checked="" type="checkbox"/> | <input type="checkbox"/> | Speaking? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Jim Monahan | NH Chiropractic Association | <input checked="" type="checkbox"/> | <input type="checkbox"/> | Speaking? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| PAULA ROGERS | AMERICAN BCBS | <input type="checkbox"/> | <input type="checkbox"/> ? | Speaking? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| DEBRA LAUGHLIN | DEPT. OF INS | <input type="checkbox"/> | <input type="checkbox"/> ? | Speaking? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| PAULA MINNEMAN | NH HOSP. ASSOC. | <input checked="" type="checkbox"/> | <input type="checkbox"/> | Speaking? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| JIM MONAHAN | NH CHIROPRACTIC ASSOC. ← | <input checked="" type="checkbox"/> | <input type="checkbox"/> | Speaking? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| TYLER | NH DEPT. OF INS. | <input type="checkbox"/> | <input type="checkbox"/> | Speaking? | <input type="checkbox"/> | <input type="checkbox"/> |
| | | <input type="checkbox"/> | <input type="checkbox"/> | Speaking? | <input type="checkbox"/> | <input type="checkbox"/> |
| | | <input type="checkbox"/> | <input type="checkbox"/> | Speaking? | <input type="checkbox"/> | <input type="checkbox"/> |
| | | <input type="checkbox"/> | <input type="checkbox"/> | Speaking? | <input type="checkbox"/> | <input type="checkbox"/> |
| | | <input type="checkbox"/> | <input type="checkbox"/> | Speaking? | <input type="checkbox"/> | <input type="checkbox"/> |

Committee Report

STATE OF NEW HAMPSHIRE
SENATE
REPORT OF THE COMMITTEE

Date: March 6, 2012

THE COMMITTEE ON Commerce

to which was referred Senate Bill 336

AN ACT relative to insurance payments for health care providers.

Having considered the same, the committee recommends that the Bill:

OUGHT TO PASS WITH AMENDMENT

BY A VOTE OF: 4-0

AMENDMENT # 1119s

Senator Tom De Blois
For the Committee

Patrick Murphy 271-3067

New Hampshire General Court - Bill Status System

Docket of SB336

Docket Abbreviations

Bill Title: (New Title) relative to medical payments coverage.*Official Docket of SB336:*

| Date | Body | Description |
|-------------|-------------|---|
| 1/1/2012 | S | Introduced 1/4/2012 and Referred to Commerce; SJ 1 , Pg.12 |
| 2/2/2012 | S | Hearing: 2/7/12, Room 102, LOB, 9:10 a.m.; SC6 |
| 3/7/2012 | S | Committee Report: Ought to Pass with Amendment # 2012-1119s , NT, 3/21/12; SC11 |
| 3/21/2012 | S | Committee Amendment 1119s, NT, AA, VV |
| 3/21/2012 | S | Ought to Pass with Amendment 1119s, NT, MA, VV; OT3rdg |
| 3/21/2012 | H | Introduced and Referred to Commerce and Consumer Affairs; HJ 28 , PG.1719 |
| 4/17/2012 | H | Public Hearing: 4/24/2012 1:15 PM LOB 302 |
| 4/17/2012 | H | Full Committee Work Session: 4/24/2012 2:45 PM LOB 302 |
| 4/17/2012 | H | Full Committee Work Session: 5/1/2012 10:30 AM LOB 302 ==Executive Session To Follow== |
| 5/2/2012 | H | Committee Report: Inexpedient to Legislate for May 9 (Vote 13-1; CC); HC 36 , PG.2007 |
| 5/9/2012 | H | Removed from Consent Calendar (Rep Lundgren); HJ 40 , PG.2230 |
| 5/9/2012 | H | Inexpedient to Legislate: MA DIV 314-25; HJ 40 , PG.2242 |

NH House

NH Senate

Other Referrals

COMMITTEE REPORT FILE INVENTORY

SB 336 ORIGINAL REFERRAL _____ RE-REFERRAL

1. THIS INVENTORY IS TO BE SIGNED AND DATED BY THE COMMITTEE AIDE AND PLACED INSIDE THE FOLDER AS THE FIRST ITEM IN THE COMMITTEE FILE.
2. PLACE ALL DOCUMENTS IN THE FOLDER FOLLOWING THE INVENTORY IN THE ORDER LISTED.
3. THE DOCUMENTS WHICH HAVE AN "X" BESIDE THEM ARE CONFIRMED AS BEING IN THE FOLDER.
4. THE COMPLETED FILE IS THEN DELIVERED TO THE CALENDAR CLERK.

- DOCKET (Submit only the latest docket found in Bill Status)
- COMMITTEE REPORT
- CALENDAR NOTICE
- HEARING REPORT
- HANDOUTS FROM THE PUBLIC HEARING
- PREPARED TESTIMONY AND OTHER SUBMISSIONS
- SIGN-UP SHEET(S)

ALL AMENDMENTS (passed or not) CONSIDERED BY COMMITTEE:

- AMENDMENT # 0924s - AMENDMENT # 1119c
____ - AMENDMENT # _____ ____ - AMENDMENT # _____

ALL AVAILABLE VERSIONS OF THE BILL:

AS INTRODUCED ____ AS AMENDED BY THE HOUSE
____ FINAL VERSION AS AMENDED BY THE SENATE

- OTHER (Anything else deemed important but not listed above, such as amended fiscal notes): _____

DATE DELIVERED TO SENATE CLERK 6-26-12

Patrick Murphy
BY COMMITTEE AIDE