

Regular Session, 2014

HOUSE BILL NO. 711

BY REPRESENTATIVE GREENE

INSURANCE/HEALTH: Require health plans to collect co-insurance and deductibles

1 AN ACT

2 To enact R.S. 22:1839, relative to health insurance; to provide for the collection of
3 coinsurance and deductibles by health insurance issuers; to provide for definitions;
4 to provide for exclusions; and to provide for related matters.

5 Be it enacted by the Legislature of Louisiana:

6 Section 1. R.S. 22:1839 is hereby enacted to read as follows:

7 §1839. Health insurance issuer collection of coinsurance and deductibles

8 A. As used in this Section, the following terms are defined as follows:

9 (1) "Coinsurance" means a percentage of the allowed charge, after a
10 copayment, if any, that an insured will pay for covered services received under the
11 applicable health insurance coverage.

12 (2) "Copayment" means a fixed dollar amount structured by the insurer that
13 may be required to be paid by the insured to the healthcare provider at the time the
14 patient receives covered services.

15 (3) "Deductible" means an annual dollar amount that shall be paid by an
16 insured for the provision of healthcare services that an insured uses before the health
17 insurance issuer becomes obligated to pay for covered services; the term shall not
18 include any portion of the premium paid by the insured.

19 (4) "Health insurance coverage" or "coverage" means benefits consisting of
20 healthcare services provided directly, through insurance or reimbursement, or

1 otherwise and including items and services paid for as healthcare services under any
2 hospital or medical service policy or certificate, hospital or medical service plan
3 contract, preferred provider organization agreement, or health maintenance
4 organization contract offered by a health insurance issuer. However, "health
5 insurance coverage" or "coverage" shall not include benefits due under Chapter 10
6 of Title 23 of the Louisiana Revised Statutes of 1950 or limited benefit and
7 supplemental health insurance policies, benefits provided under a separate policy,
8 certificate, or contract of insurance for accidents, disability income, limited scope
9 dental or vision benefits, or benefits for long-term care, nursing home care, home
10 healthcare, or specific diseases or illnesses.

11 (5) "Health insurance issuer" or "issuer" means any entity that offers health
12 insurance coverage through a policy, contract, or certificate of insurance subject to
13 state law that regulates the business of insurance. For purposes of this Subpart, a
14 "health insurance issuer" or "issuer" shall include but not be limited to a health
15 maintenance organization as defined and licensed pursuant to Subpart I of Part I of
16 Chapter 2 of this Title.

17 B. A health insurance issuer shall not execute, amend, or renew any contract
18 with a healthcare provider which requires the healthcare provider to collect any
19 applicable coinsurance or deductible amount which may be the responsibility of the
20 insured pursuant to the insured's contract for health insurance coverage. A health
21 insurance insurer licensed pursuant to the provisions of this Title shall recover all
22 co-insurance and deductible amounts due from patients for covered services as
23 required under the health insurance insurer's health insurance coverage. Payment of
24 claims submitted by healthcare providers shall not be dependent on the health
25 insurance insurer recovering any applicable coinsurance and deductible amounts nor
26 shall collection of any applicable coinsurance, deductible, and copayment amounts
27 be required to be completed prior to processing and paying a claim made by a
28 healthcare provider.

1 C. The provisions of this Section shall not have any effect as to the collection
2 of copayments.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

Greene HB No. 711

Abstract: Provides for collection by the insurer of applicable coinsurance or deductible amounts owed by an insured under the policy.

Present law provides that healthcare providers are responsible for collecting the amount of any coinsurance or deductibles applicable to a health insurance policy from the insured.

Proposed law provides that the healthcare insurer issuing a policy that requires coinsurance or deductibles from the insured is responsible for collection of those amounts.

Proposed law defines certain terms.

(Adds R.S. 22:1839)