

Regular Session, 2014

HOUSE BILL NO. 822

BY REPRESENTATIVE SEABAUGH

INSURANCE/HEALTH: Provides relative to balanced billing

1 AN ACT

2 To amend and reenact R.S. 9:4752 and R.S. 22:1826, relative to balance billing; to provide
3 relative to noncontracted healthcare providers of emergency medical services; to
4 restrict judicial enforcement of balance bills; and to provide for related matters.

5 Be it enacted by the Legislature of Louisiana:

6 Section 1. R.S. 9:4752 is hereby amended and reenacted to read as follows:

7 §4752. Privilege on net proceeds collected from third party in favor of medical
8 providers for services and supplies furnished injured persons

9 A. A healthcare provider, hospital, or ambulance service that furnishes
10 services or supplies to any injured person shall have a privilege for the reasonable
11 charges or fees of such healthcare provider, hospital, or ambulance service, except
12 as provided in Subsection B, on the net amount payable to the injured person, his
13 heirs, or legal representatives, out of the total amount of any recovery or sum had,
14 collected, or to be collected, whether by judgment or by settlement or compromise,
15 from another person on account of such injuries, and on the net amount payable by
16 any insurance company under any contract providing for indemnity or compensation
17 to the injured person. The privilege of an attorney shall have precedence over the
18 privilege created under this Section.

19 B. The provisions of this Section and the privilege authorized herein shall
20 not apply to a healthcare provider, hospital, or ambulance service that has received

1 direct payment from a health insurance issuer for a covered service or claim pursuant
2 to R.S. 22:1826, except to the extent any injured person is liable to the healthcare
3 provider, hospital, or ambulance service for any coinsurance, copayments,
4 cost-sharing, or deductibles under the terms of the injured person's health benefit
5 plan.

6 Section 2. R.S. 22:1826 is hereby amended and reenacted to read as follows:

7 §1826. Payment of claims for emergency services provided by noncontracted health
8 care providers; restriction on judicial enforcement of balance bills

9 A. If a healthcare provider that does not contract with a health insurance
10 issuer files a claim with a health insurance issuer for emergency services rendered
11 or for claims resulting from an emergency medical condition, as defined in R.S.
12 22:2392, the health insurance issuer shall directly pay such a claim by a
13 noncontracted provider in the amount as determined pursuant to the plan or policy
14 provisions between the enrollee or insured and the health insurance issuer, less any
15 amount representing coinsurance, copayments, deductibles, noncovered services, or
16 any other amounts identified by the health insurance issuer pursuant to the plan or
17 policy provisions, as an amount for which the insured or enrollee is liable. Payment
18 of such claim by the health insurance issuer shall in no circumstances be made
19 directly to the patient, insured, or enrollee.

20 B. A healthcare provider, or his mandatory or other representative, making
21 a judicial demand that is unenforceable pursuant to this Section shall have no right
22 of action, and such a demand shall be dismissed by a court of competent jurisdiction
23 for want of a right of action under Code of Civil Procedure Article 927.

24 C. No judgment, lien, or other judicial or administrative remedy of any kind
25 whatsoever including but not limited to a writ of fieri facias shall be enforceable
26 against a patient, insured, or enrollee, his estate, or his successors, heirs or legatees,
27 for the balance of any sum in excess of the amount paid directly to a noncontracted
28 provider by a health insurance issuer for services rendered or for claims resulting
29 from emergency services rendered or from an emergency medical condition.

1 ~~BD~~. For purposes of this Section, "health insurance issuer" means any entity
2 that offers health insurance coverage through a policy or certificate of insurance
3 subject to state law that regulates the business of insurance. The term shall also
4 include a health maintenance organization, as defined and licensed pursuant to
5 Subpart I of Part I of Chapter 2 of this Title, and nonfederal government plans
6 subject to the provisions of Subpart B of this Part and the Office of Group Benefits.
7 ~~EE~~. The provisions of this Section shall not apply to limited benefit health
8 insurance policies or contracts.

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)]

Seabaugh

HB No. 822

Abstract: Provides that noncontracted healthcare providers of emergency services may not seek payment for the balance of any sum in excess of the amount paid directly to the noncontracted provider by the health insurance issuer for claims resulting emergency services rendered or from an emergency medical condition. Further provides that the healthcare privilege provided in present law does not apply to healthcare providers that have received direct payment from a health insurance issuer for a covered service or claim.

Present law provides a healthcare provider privilege for the fees charged for services or supplies furnished to an injured person out of any recovery the injured person receives by judgment, settlement, or compromise.

Proposed law provides that the healthcare provider privilege does not apply to a healthcare provider who receives direct payment from a health insurance issuer for emergency services provided or for an emergency medical condition.

Present law provides that a health insurance issuer directly pays a claim from a noncontracted healthcare provider rendering emergency services.

Proposed law retains present law but also requires a health insurance issuer directly pay a claim from a noncontracted healthcare provider treating an emergency medical condition.

Proposed law provides that a healthcare provider of emergency services may not obtain a judicial order for the balance of any sum in excess of the amount directly paid to a noncontracted provider by a health insurance issuer for emergency services rendered or for treatment of an emergency medical condition.

(Amends R.S. 9:4752 and R.S. 22:1826)