

Regular Session, 2012

HOUSE BILL NO. 260

BY REPRESENTATIVE THIERRY

INSURANCE/HEALTH: Provides relative to health care billing

1 AN ACT

2 To amend and reenact R.S. 22:1874(A)(4) and (5) and to enact R.S. 22:1874(6), relative to  
3 billing by contracted health care providers; to provide for protection of a contracted  
4 health care provider's privilege on payment; and to provide for related matters.

5 Be it enacted by the Legislature of Louisiana:

6 Section 1. R.S. 22:1874(A)(4) and (5) are hereby amended and reenacted and R.S.  
7 22:1874(6) is hereby enacted to read as follows:

8 §1874. Billing by contracted health care providers

9 A.

10 \* \* \*

11 (4) Nothing in this Subsection shall be construed to prohibit a contracted  
12 health care provider from the enforcement of his rights pursuant to R.S. 9:4751 et  
13 seq., against a responsible third party and his insurer. Furthermore, a contract or  
14 agreement between a health care provider and health insurance issuer for the  
15 provision of covered health care services shall not prohibit a contracted health care  
16 provider from the enforcement of his rights pursuant to R.S. 9:4751 et seq.

17 ~~(4)~~ (5) A health insurance issuer contracting with a network of providers is  
18 obligated to pay to a contracted health care provider the contracted reimbursement  
19 rate of the network identified on the member identification card of the enrollee or  
20 insured, pursuant to R.S. 40:2203.1, and established by the contract between the  
21 network of providers and the contracted health care provider. The payor must

1           comply with all provisions of the specific network contract. To the extent that a  
2           health insurance issuer does not pay to the health care provider an amount equal to  
3           the health insurance issuer liability, the contracted health care provider may collect  
4           the difference between the amount paid by the health insurance issuer and the health  
5           insurance issuer liability from the enrollee or insured. Any such collection efforts  
6           shall not constitute a violation of this Subpart.

7           ~~(5)~~(6)(a) Under certain circumstances and when the provisions of  
8           Subparagraph (b) of this Paragraph are met, a health insurance issuer contracting  
9           with a group of physicians that bills a health insurance issuer utilizing a group  
10          identification number, such as the group federal tax identification number or the  
11          group National Provider Identifier as set forth in 45 CFR 162.402 et seq., shall pay  
12          the contracted reimbursement rate of the physician group for covered health care  
13          services rendered by a new physician to the group, without health care provider  
14          credentialing as described in R.S. 22:1009. This provision shall apply in either of  
15          the following circumstances:

16               (i) When the new physician has already been credentialed by the health  
17               insurance issuer and the physician's credentialing is still active with the issuer.

18               (ii) When the health insurance issuer has received the required credentialing  
19               application and information, including proof of active hospital privileges, from the  
20               new physician and the issuer has not notified the physician group that credentialing  
21               of the new physician has been denied.

22               (b) A health insurance issuer shall comply with the provisions of  
23               Subparagraph (a) of this Paragraph no later than thirty days after receipt of a written  
24               request from the physician group. The written request shall include a statement that  
25               the physician group agrees that all contract provisions, including the provision  
26               holding covered persons harmless for charges beyond reimbursement by the issuer  
27               and deductible, coinsurance, and copayments, apply to the new physician. Such  
28               compliance shall apply to any claims for covered services rendered by the new

1 physician to covered persons on dates of service no earlier than the date of the  
2 written request from the physician group.

3 (c) Compliance by a health insurance issuer with the provisions of  
4 Subparagraph (a) of this Paragraph shall not be construed to mean that a physician  
5 has been credentialed by an issuer or that the issuer is required to list the physician  
6 in a directory of contracted physicians.

7 (d) If, upon compliance with Subparagraph (a) of this Paragraph, a health  
8 insurance issuer completes the credentialing process on the new physician and  
9 determines that the physician does not meet the issuer's credentialing requirements,  
10 the following actions shall be permitted:

11 (i) The health insurance issuer may recover from the physician or the  
12 physician group an amount equal to the difference between appropriate payments for  
13 in-network benefits and out-of-network benefits provided that the health insurance  
14 issuer has notified the applicant physician of the adverse determination and provided  
15 that the health insurance issuer has initiated action regarding such recovery within  
16 thirty days of the adverse determination.

17 (ii) The physician or the physician group may retain any deductible,  
18 coinsurance, or copayment collected or in the process of being collected as of the  
19 date of receipt of the issuer's determination, so long as the amount is not in excess  
20 of the amount owed by the insured or enrollee for out-of-network services.

21 \* \* \*

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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)]

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Thierry

HB No. 260

**Abstract:** Provides that the provisions of present law relative to health care billing shall not prohibit a contracted health care provider's right to enforce privileges on payment pursuant to R.S. 9:4751.

Present law prohibits a contracted health care provider from discount billing, dual billing, and collecting or attempting to collect an amount in excess of the contracted reimbursement rate for covered health care services.

Proposed law provides that present law shall not prohibit a contracted health care provider from enforcing rights relative to privileges on payment pursuant to present law (R.S. 9:4751 et seq.).

(Amends R.S. 22:1874(A)(4) and (5); Adds R.S. 22:1874(A)(6))