

# HOUSE BILL NO. 2477

## 98TH GENERAL ASSEMBLY

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INTRODUCED BY REPRESENTATIVE FREDERICK.

6338H.011

D. ADAM CRUMBLISS, Chief Clerk

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### AN ACT

To amend chapter 376, RSMo, by adding thereto one new section relating to predetermination of health care benefits, with an effective date.

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*Be it enacted by the General Assembly of the state of Missouri, as follows:*

Section A. Chapter 376, RSMo, is amended by adding thereto one new section, to be  
2 known as section 376.1475, to read as follows:

**376.1475. 1. This section shall be known and may be cited as the**  
2 **"Predetermination of Health Care Benefits Act".**

3 **2. For the purposes of this section, the following terms shall mean:**

4 **(1) "Administrative simplification provision", transaction and code standards**  
5 **promulgated under the Health Insurance Portability and Accountability Act of 1996**  
6 **(HIPAA), Public Law 104-191, and 45 CFR 160 and 162;**

7 **(2) "Director", the director of the department of insurance, financial institutions**  
8 **and professional registration;**

9 **(3) "Health benefit plan" and "health care provider", shall have the same**  
10 **meanings as those terms are defined in section 376.1350;**

11 **(4) "Payment", only a deductible or coinsurance payment and shall not include a**  
12 **co-payment; and**

13 **(5) "Standard electronic transactions", electronic claim and remittance advice**  
14 **transactions created by the Accredited Standards Committee (ASC) X12 in the format of**  
15 **ASC X12 837I, ASC X12 837P, or ASC X12 835, or any of their respective successors.**

16 **3. Health benefit plans that receive an electronic health care predetermination**  
17 **request from a health care provider consistent with the requirements set forth in**

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

18 subsection 6 of this section shall provide the requesting health care provider information  
19 on the amounts of expected benefits coverage on the procedures specified in the request  
20 that is accurate at the time of the health benefit plan's response.

21 4. Any predetermination response provided by a health benefit plan under this  
22 section in good faith shall be deemed to be an estimate only and shall not be binding upon  
23 the health benefit plan with regard to the final amount of benefits actually provided by the  
24 health benefit plan.

25 5. The amounts for the referenced services in subsection 3 of this section shall  
26 include:

27 (1) The amount the patient will be expected to pay, clearly identifying any  
28 deductible amount, coinsurance, and co-payment;

29 (2) The amount the health care provider will be paid;

30 (3) The amount the institution will be paid; and

31 (4) Whether any payments will be reduced, but not to zero dollars, or increased  
32 from the agreed fee schedule amounts, and if so, the health care policy that identifies why  
33 the payments will be reduced or increased.

34 6. The health care predetermination request and predetermination response shall  
35 be conducted in accordance with administrative simplification provisions using the  
36 currently applicable standard electronic transactions, without regard to whether this  
37 transaction is mandated by HIPAA. It shall also comply with any rules promulgated by  
38 the director, without regard to whether these rules are mandated by HIPAA.

39 7. The health benefit plan's predetermination response to the health care  
40 predetermination request shall be returned using the same transmission method as that of  
41 the submission. This includes a real time response for a real time request.

42 8. This act precludes the collection of any payment prior to or as a condition of  
43 receiving the health benefit services that are the subject of a predetermination request,  
44 unless this practice is not prohibited by the provider agreement with the health benefit  
45 plan.

46 9. The director shall adopt rules and regulations necessary to carry out the  
47 provisions of this section.

48 10. Any rule or portion of a rule, as that term is defined in section 536.010 that is  
49 created under the authority delegated in this section shall become effective only if it  
50 complies with and is subject to all of the provisions of chapter 536, and, if applicable,  
51 section 536.028. This section and chapter 536 are nonseverable, and if any of the powers  
52 vested with the general assembly pursuant to chapter 536, to review, to delay the effective  
53 date, or to disapprove and annul a rule are subsequently held unconstitutional, then the

54 **grant of rulemaking authority and any rule proposed or adopted after August 28, 2016,**  
55 **shall be invalid and void.**

Section B. This act shall become effective July 1, 2017.

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