

As Introduced

**131st General Assembly
Regular Session
2015-2016**

S. B. No. 31

**Senator Tavares
Cosponsors: Senators Seitz, Brown, Skindell**

A BILL

To amend section 1739.05 and to enact sections 1
1751.76, 3923.71, and 3923.74 of the Revised 2
Code to prohibit health insurers from denying 3
payment for a service during or after the 4
performance of the service if the insurer 5
provided prior written authorization for the 6
service. 7

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:

Section 1. That section 1739.05 be amended and sections 8
1751.76, 3923.71, and 3923.74 of the Revised Code be enacted to 9
read as follows: 10

Sec. 1739.05. (A) A multiple employer welfare arrangement 11
that is created pursuant to sections 1739.01 to 1739.22 of the 12
Revised Code and that operates a group self-insurance program 13
may be established only if any of the following applies: 14

(1) The arrangement has and maintains a minimum enrollment 15
of three hundred employees of two or more employers. 16

(2) The arrangement has and maintains a minimum enrollment 17
of three hundred self-employed individuals. 18

(3) The arrangement has and maintains a minimum enrollment of three hundred employees or self-employed individuals in any combination of divisions (A) (1) and (2) of this section.

(B) A multiple employer welfare arrangement that is created pursuant to sections 1739.01 to 1739.22 of the Revised Code and that operates a group self-insurance program shall comply with all laws applicable to self-funded programs in this state, including sections 3901.04, 3901.041, 3901.19 to 3901.26, 3901.38, 3901.381 to 3901.3814, 3901.40, 3901.45, 3901.46, 3902.01 to 3902.14, 3923.24, 3923.282, 3923.30, 3923.301, 3923.38, 3923.581, 3923.63, 3923.74, 3923.80, 3923.85, 3924.031, 3924.032, and 3924.27 of the Revised Code.

(C) A multiple employer welfare arrangement created pursuant to sections 1739.01 to 1739.22 of the Revised Code shall solicit enrollments only through agents or solicitors licensed pursuant to Chapter 3905. of the Revised Code to sell or solicit sickness and accident insurance.

(D) A multiple employer welfare arrangement created pursuant to sections 1739.01 to 1739.22 of the Revised Code shall provide benefits only to individuals who are members, employees of members, or the dependents of members or employees, or are eligible for continuation of coverage under section 1751.53 or 3923.38 of the Revised Code or under Title X of the "Consolidated Omnibus Budget Reconciliation Act of 1985," 100 Stat. 227, 29 U.S.C.A. 1161, as amended.

Sec. 1751.76. No health insuring corporation that agrees in writing to provide coverage for the performance of a service prior to the performance of the service shall deny payment for the service during or after the performance of the service unless the health insuring corporation's written agreement to

provide coverage for the service was based upon inaccurate 49
information provided to the health insuring corporation by the 50
enrollee or health care provider. 51

Sec. 3923.71. No sickness and accident insurer that agrees 52
in writing to provide coverage for the performance of a service 53
prior to the performance of the service shall deny payment for 54
the service during or after the performance of the service 55
unless the insurer's written agreement to provide coverage for 56
the service was based upon inaccurate information provided to 57
the insurer by the insured or the health care provider. 58

Sec. 3923.74. No public employee benefit plan that agrees 59
in writing to provide coverage for the performance of a service 60
prior to the performance of the service shall deny payment for 61
the service during or after the performance of the service 62
unless the public employee benefit plan's written agreement to 63
provide coverage for the service was based upon inaccurate 64
information provided to the public employee benefit plan by the 65
plan member, covered dependent, or health care provider. 66

Section 2. That existing section 1739.05 of the Revised 67
Code is hereby repealed. 68