

2014 -- S 2521

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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2014

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A N A C T

RELATING TO INSURANCE - ACCIDENT AND SICKNESS INSURANCE POLICIES - CO-  
INSURANCE AND DEDUCTIBLES

Introduced By: Senator Joshua Miller

Date Introduced: February 27, 2014

Referred To: Senate Health & Human Services

It is enacted by the General Assembly as follows:

1 SECTION 1. Chapter 27-18 of the General Laws entitled "Accident and Sickness  
2 Insurance Policies" is hereby amended by adding thereto the following section:

3 **27-18-82. Co-Insurance and deductible responsibility.** -- The commissioner shall  
4 require a healthcare entity or health plan operating in the state to recover all co-insurance and  
5 deductible amounts due from patients for covered services as required under the insured's health  
6 benefit plan. For purposes of this section, "co-insurance" is defined as a percentage of the  
7 allowable charge, after a co-payment, if any, that an insured will pay for covered benefits. A  
8 "deductible" is defined, for purposes of this section, as an annual dollar allowable charge, after a  
9 co-payment, if any, that an insured will pay for covered benefits. A "deductible" is defined, for  
10 purposes of this section, as an annual dollar amount that must be paid by an insured for covered  
11 benefits that the insured uses before the carrier's health benefit plan becomes obligated to pay for  
12 covered benefits; such deductible does not include any portion of premiums paid by an insured.  
13 Insurers shall include co-insurance and deductible amounts due from the insured for covered  
14 benefits in their payments to providers; provided, however, that such payment shall not be  
15 dependent on the insurer recovering the co-insurance and deductible prior to processing and  
16 paying a claim made by a provider. Nothing in this section shall prohibit providers and insurers  
17 from mutually agreeing to alternative billing and payment processes when it has been determined  
18 that the insured has secondary health benefits for the healthcare services provided. This section

1 shall not pertain to the collection of co-payments, which is a fixed dollar amount structured by the  
2 insurer that is paid by an insured to a provider, at the time the insured receives covered services.

3 SECTION 2. Chapter 27-19 of the General Laws entitled "Nonprofit Hospital Service  
4 Corporations" is hereby amended by adding thereto the following section:

5 **27-19-73. Co-Insurance and deductible responsibility.--** The commissioner shall  
6 require a nonprofit hospital service corporation operating in the state to recover all co-insurance  
7 and deductible amounts due from patients for covered services as required under the insured's  
8 health benefit plan. For purposes of this section, "co-insurance" is defined as a percentage of the  
9 allowable charge, after a co-payment, if any, that an insured will pay for covered benefits. A  
10 "deductible" is defined, for purposes of this section, as an annual dollar allowable charge, after a  
11 co-payment, if any, that an insured will pay for covered benefits. A "deductible" is defined, for  
12 purposes of this section, as an annual dollar amount that must be paid by an insured for covered  
13 benefits that the insured uses before the carrier's health benefit plan becomes obligated to pay for  
14 covered benefits; such deductible does not include any portion of premiums paid by an insured.  
15 Insurers shall include the co-insurance and deductible amounts due from the insured for covered  
16 benefits in their payments to providers; provided, however, that such payment shall not be  
17 dependent on the insurer recovering the co-insurance and deductible prior to processing and  
18 paying a claim made by a provider. Nothing in this section shall prohibit providers and insurers  
19 from mutually agreeing to alternative billing and payment processes when it has been determined  
20 that the insured has secondary health benefits for the health care services provided. This section  
21 shall not pertain to the collection of co-payments, which is a fixed dollar amount structured by the  
22 insurer that is paid by an insured to a provider, at the time the insured receives covered services.

23 SECTION 3. Chapter 27-20 of the General Laws entitled "Nonprofit Medical Service  
24 Corporations" is hereby amended by adding thereto the following section:

25 **27-20-69. Co-Insurance and deductible responsibility.--** The commissioner shall  
26 require a nonprofit medical service corporation operating in the state to recover all co-insurance  
27 and deductible amounts due from patients for covered services as required under the insured's  
28 health benefit plan. For purposes of this section, "co-insurance" is defined as a percentage of the  
29 allowable charge, after a co-payment if any, that an insured will pay for covered benefits. A  
30 "deductible" is defined, for purposes of this section, as an annual dollar allowable charge, after a  
31 co-payment, if any, that an insured will pay for covered benefits. A "deductible" is defined, for  
32 purposes of this section, as an annual dollar amount that must be paid by an insured for covered  
33 benefits that the insured uses before the carrier's health benefit plan becomes obligated to pay for  
34 covered benefits; such deductible does not include any portion of premiums paid by an insured.

1 Insurers shall include the co-insurance and deductible amounts due from the insured for covered  
2 benefits in their payments to providers; provided, however, that such payment shall not be  
3 dependent on the insurer recovering the co-insurance and deductible prior to processing and  
4 paying a claim made by a provider. Nothing in this section shall prohibit providers and insurers  
5 from mutually agreeing to alternative billing and payment processes when it has been determined  
6 that the insured has secondary health benefits for the healthcare services provided. This section  
7 shall not pertain to the collection of co-payments, which is a fixed dollar amount structured by the  
8 insurer that is paid by an insured to a provider, at the time the insured receives covered services.

9 SECTION 4. Chapter 27-41 of the General Laws entitled "Health Maintenance  
10 Organizations" is hereby amended by adding thereto the following section:

11 **27-41-86. Co-Insurance and deductible responsibility.** -- The commissioner shall  
12 require a health maintenance organization operating in the state to recover all co-insurance and  
13 deductible amounts due from patients for covered services as required under the insured's health  
14 benefit plan. For purposes of this section, "co-insurance" is defined as a percentage of the  
15 allowable charge, after a co-payment, if any, that an insured will pay for covered benefits. A  
16 "deductible" is defined, for purposes of this section, as an annual dollar allowable charge, after a  
17 co-payment, if any, that an insured will pay for covered benefits. A "deductible" is defined, for  
18 purposes of this section, as an annual dollar allowable charge, after a co-payment, if any, that an  
19 insured will pay for covered benefits. A "deductible" is defined, for purposes of this section, as an  
20 annual dollar amount that must be paid by an insured for covered benefits that the insured uses  
21 before the carrier's health benefit plan becomes obligated to pay for covered benefits; such  
22 deductible does not include any portion of premiums paid by an insured. Insurers shall include the  
23 co-insurance and deductible amounts due from the insured for covered benefits in their payments  
24 to providers; provided, however, that such payment shall not be dependent on the insurer  
25 recovering the co-insurance and deductible prior to processing and paying a claim made by a  
26 provider. Nothing in this section shall prohibit providers and insurers from mutually agreeing to  
27 alternative billing and payment processes when it has been determined that the insured has  
28 secondary health benefits for the healthcare services provided. This section shall not pertain to the  
29 collection of co-payments, which is a fixed dollar amount structured by the insurer that is paid by  
30 an insured to a provider, at the time the insured receives covered services.

31 SECTION 5. This act shall take effect upon passage

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EXPLANATION  
BY THE LEGISLATIVE COUNCIL  
OF

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RELATING TO INSURANCE - ACCIDENT AND SICKNESS INSURANCE POLICIES - CO-  
INSURANCE AND DEDUCTIBLES

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1           This act would require healthcare entities or health plans operating in the state to recover  
2 all co-insurance and deductible amounts from patients for covered services as required under the  
3 insured's health benefit plan.

4           This act would take effect upon passage.

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