



March 25, 2024

**SUMMARY OF BILL AS AMENDED (017205):** Prohibits a health benefit plan or a payer contract from including restrictions on methods of payment from the health insurance issuer or its vendor to the healthcare provider in which the only acceptable payment method is a credit card payment.

Requires a health insurance issuer initiating or changing payment methods to a healthcare provider under a payer contract or health benefit plan in order to use electronic funds transfer or credit card payment to (1) notify the healthcare provider if any fees are associated with a particular payment method; (2) advise the healthcare provider of all available methods of payment under the payer contract and provide clear instructions to the provider as to how to select an alternative payment method; and (3) notify the healthcare provider that the healthcare provider can opt out of credit card payments for any services rendered pursuant to the payer contract between the healthcare provider and the health insurance issuer or its vendors, and provide the healthcare provider clear instructions as to how to opt out of such credit card payments.

Prohibits a health insurance issuer or its vendor that initiates or changes payments to a healthcare provider through the automated clearinghouse (ACH) network from charging a fee solely to transmit the payment to the provider unless the healthcare provider has consented to the fee. Authorizes a healthcare provider's agent to charge reasonable fees when transmitting an ACH network payment related to transaction management, data management, portal services, and other value-added services.

Establishes that violations of the legislation are subject to enforcement by the Commissioner of Commerce and Insurance (DCI).

**FISCAL IMPACT OF BILL AS AMENDED:**

**NOT SIGNIFICANT**

Assumptions for the bill as amended:

- Based on information provided by the Division of Benefits Administration, the proposed legislation will not have an impact on the plans offered under the State Group Insurance Program.
- Any impact to the operations of the Division of TennCare will not be significant.

- Establishing requirements for certain transactions conducted by healthcare providers and health plans will not have a significant impact on the policies or procedures of DCI.
- DCI can monitor compliance and enforce the legislation utilizing existing personnel and resources.

**IMPACT TO COMMERCE OF BILL AS AMENDED:**

**NOT SIGNIFICANT**

Assumption for the bill as amended:

- Any impact to commerce or jobs in Tennessee is estimated to be not significant.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.



Krista Lee Carsner, Executive Director

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