

State Corporation Commission 2012 Fiscal Impact Statement

1. Bill Number: HB980

House of Origin Introduced Substitute Engrossed
Second House In Committee Substitute Enrolled

2. Patron: Scott, J.M.

3. Committee: Commerce and Labor

4. Title: Health insurance; time limit on submitting claims.

5. Summary: Health insurance; time limit on submitting claims. Prohibits provider contracts from requiring a provider submit a claim in less than one year from the date of service. Provider contracts must provide that if it is not reasonably possible to submit a claim in one year, the carrier cannot reduce or deny the claim if it was submitted as soon as reasonably possible. The amendments apply to provider contracts entered into, amended, extended or renewed on or after July 1, 2012. The requirement for proofs of loss for individual or group accident and sickness policies increases the time period for submitting claims for a continuous loss from 90 days to one year after the end of each period that the company is liable. For disability claims, the time period is increased from 90 days to one year after the beginning of the period for which the insurer is liable.

6. Budget amendment necessary: No

7. Fiscal Impact Estimates: No Fiscal Impact on the State Corporation Commission

8. Fiscal implications: None on the State Corporation Commission

9. Specific agency or political subdivisions affected: State Corporation Commission Bureau of Insurance

10. Technical amendment necessary: The patron of House Bill 980 may wish to consider whether it is appropriate to define or clarify the term “reasonably possible” on Lines 154-155 of the bill.

House Bill 980 is assigned to Commerce and Labor subcommittee #1.

11. Other comments: None

Date: 01/29/12/V. Tompkins
cc: Secretary of Commerce and Trade
Secretary of Health and Human Resources