

State Corporation Commission

2020 Fiscal Impact Statement

1. Bill Number: HB807

House of Origin ☒ Introduced ☐ Substitute ☐ Engrossed

Second House ☐ In Committee ☐ Substitute ☐ Enrolled

2. Patron: Delaney

3. Committee: Labor and Commerce

4. Title: Health care services; explanation of benefits.

5. Summary: Requires health carriers and Medicaid managed care organizations to provide an explanation of benefits to covered persons or recipients. The measure requires the State Corporation Commission to adopt regulations that establish alternative methods of delivery of the explanation of benefits that permit the receipt of an explanation of benefits by an alternative method, provided that such alternative method is in compliance with the provisions of federal regulations regarding the right to request privacy protection for protected health information. The measure requires health carriers and Medicaid managed care organizations to take all reasonable actions to ensure that their internal processes and systems prohibit the identification or description of sensitive health care services in their explanations of benefits. The measure requires a health carrier that requires a covered person to make a request for confidential communications in writing in accordance with federal law to accept the form of the explanation of benefits approved by the Commission. The measure also requires the Commission to define "sensitive health care services." The measure will take effect 90 days after the Commission has adopted the required regulations. The measure is a recommendation of the Joint Commission on Health Care.

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's Bureau of Insurance and the Department of Medical Assistance Services

10. Technical Amendment Necessary: No

11. Other Comments: The State Corporation Commission Bureau of Insurance is directed to promulgate a regulation to establish alternative methods of delivery of the explanation of benefits that permit the receipt of an explanation of benefits by an alternative method, provided that such alternative method is in compliance with the provisions of federal regulations regarding the right to request privacy protection for protected health information. The Bureau of Insurance requested the patron of House Bill 807 to consider delaying the date for the promulgation of the regulation from August 1 to November 1, 2020 to avoid conflict with the Affordable Care Act cycle of form and rate approval immediately following the legislative session each year.

Date: 1/19/20/V. Tompkins