April 13, 2009

H 1485. INSURANCE/HEALTH CARE PROVIDER RELATIONSHIP. Filed 4/9/09. *TO REFORM THE PROCESS FOR RECOVERY OF OVERPAYMENTS TO PROVIDERS BY INSURERS*.

Rewrites GS 58-3-225 to (1) increase from 30 to 90 days the minimum time written notice must be given before an insurer seeks overpayment recovery or offsetting and (2) allow those procedures only within 180 days (was, two years) after the original claim payment, unless the insurer has a reasonable belief of fraud or other intentional misconduct or the claim involves a provider or facility receiving payment for the same service from a government payer.

Limits recovery of overpayments to actual claims for which the insurer can provide specified information about the patient, the service and the proposed revised payment. If a provider or facility disputes a request for overpayment recovery, it may appeal the request within 30 days of receipt of the recovery request. The insurer must provide an internal appeals process for such disputes within 60 days after commencement of an appeal. If within 90 days after a written demand the provider or facility has not provided a refund or an appeal is still ongoing, the insurer may seek recovery by offsetting future payments. Provides that a demand made in bad faith subjects the insurer to sanctions.

Requires the Department of Insurance to study the advisability of and need for independent claims review process for disputes between insurers and providers, and requires the Department to report to the General Assembly by April 1, 2010.

Intro. by Steen, Barnhart, Neumann, England. GS 58

May 11, 2009

H 1485. INSURANCE/HEALTH CARE PROVIDER RELATIONSHIP. Filed 4/9/09. House committee substitute makes the following changes to 1st edition. Amends GS 58-3-225 to delete the proposed change that would have set the time period for an insurer to recover overpayments made to a health care provider or facility or offset future payments at 180 calendar days after the date of the original claim payment, and instead restores the time period to two years after that date. Directs the insurer to provide an internal appeals process for adjudicating disputes by the health care provider or facility regarding a request for an overpayment recovery by the insurer within 90 days (was, 60 days) of the health care provider or facility beginning an appeal. Permits an insurer to seek recovery by offsetting future payments if, within 120 days (was, 90 days) after the insurer has provided the provider or facility with a written notice of demand for the recovery of the overpayment, (1) the health care
provider or facility has not provided a refund of an overpayment or (2) an appeal of an alleged overpayment is still ongoing. Provides that Section 1 of the act GS 58-3-225(h) as amended also applies to a health care provider or facility demands for refunds from insurers for claims originally adjudicated on or after the date when the act becomes law (was, applies to reviews by insurers of claims for possible overpayment of claim payments made on or after the effective date). Makes a clarifying change.

May 14, 2009

H 1485. INSURANCE/HEALTH CARE PROVIDER RELATIONSHIP. Filed 4/9/09. House committee substitute makes the following changes to 2nd edition. Amends GS 58-3-225(h) to provide that, if within 150 (was, 120) calendar days after an insurer provides a health care provider or health care facility with written notice of a demand for recovery of payments, the provider or facility has not provided a refund of an overpayment or an appeal of an alleged overpayment is still ongoing, then the insurer may seek recovery by offsetting payments. Also extends from April 1, 2010, to April 1, 2011, the date by which the Department of Insurance must report its findings to the General Assembly with respect to the need for an independent claims review process for disputes between insurers and providers.