

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2019

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SENATE BILL DRS35181-MR-72

Short Title: Health Insurance Provider Payment Stability. (Public)

Sponsors: Senators Perry and Krawiec (Primary Sponsors).

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO INCREASE PAYMENT STABILITY FOR HEALTH CARE PROVIDERS
3 REGARDING PAYMENTS FROM INSURERS OFFERING HEALTH BENEFIT PLANS.
4 The General Assembly of North Carolina enacts:

5 SECTION 1.(a) Article 3 of Chapter 58 of the General Statutes is amended by adding
6 a new section to read:

7 "§ 58-3-226. Overpayment, retroactive denials, underpayments, and nonpayment; health
8 benefit plans.

9 (a) For the purposes of this section, the terms "health benefit plan," "health care facility,"
10 and "health care provider" shall have the same meaning as in G.S. 58-3-225.

11 SECTION 1.(b) G.S. 58-3-225(h) is recodified as G.S. 58-3-226(b).

12 SECTION 2. G.S. 58-3-226, as enacted by Section 1 of this act, reads as rewritten:
13 "§ 58-3-226. Overpayment, underpayments, and nonpayment; health benefit plans.

14 (a) For the purposes of this section, the terms "health benefit plan," "health care facility,"
15 and "health care provider" shall have the same meaning as in G.S. 58-3-225.

16 (b) Subject to the time lines required under this ~~section, the subsection,~~ an insurer may
17 recover overpayments made to ~~the~~ a health care provider or health care facility by making
18 demands for refunds and by offsetting future payments. Any ~~such recoveries~~ demands or payment
19 offsets may also include related interest payments that were made under the requirements of ~~this~~
20 ~~section, G.S. 58-2-225.~~ Not less than 30 calendar days before an insurer retroactively denies a
21 previously paid claim, seeks overpayment ~~recovery~~ recovery, or offsets future payments, the
22 insurer shall give written notice to the health care provider or health care ~~facility, which notice~~
23 facility. The required notice shall be accompanied by adequate specific information to identify
24 the specific claim and the specific reason for the denial or the recovery. The retroactive denial of
25 a previously paid claim, the recovery of ~~overpayments~~ overpayments, or the offsetting of future
26 payments under this subsection shall be made within the ~~two years~~ six months after the date of
27 the original claim payment unless ~~the any of the following~~ apply:

28 (1) The insurer has reasonable belief of fraud or other intentional misconduct by
29 the health care provider or health care facility or its ~~agents, or the agents.~~

30 (2) The claim involves a health care provider or health care facility receiving
31 payment for the same service from a government payor. ~~The~~

32 (3) The claim was subject to coordination of benefits with another insurer. If the
33 claim was subject to coordination of benefits with another insurer, then the
34 time period is extended to 18 months.

35 (4) The claim submitted was a duplicate claim.



1 (c) A health care provider or health care facility may recover underpayments or
2 nonpayments by the insurer by making demands for refunds. Any ~~such~~ recoveries by the health
3 care provider or health care facility of underpayments or nonpayment by the insurer may include
4 applicable interest ~~under this section, as provided under G.S. 58-3-225.~~ The recovery of
5 underpayments or nonpayments under this subsection shall be made within the ~~two years~~ six
6 months after the date of the original claim adjudication, unless the claim involves a health
7 provider or health care facility receiving payment for the same service from a government payor."

8 **SECTION 3.** This act becomes effective October 1, 2019, and applies to claims
9 submitted on or after that date.