



General Assembly

January Session, 2001

Committee Bill No. 694

LCO No. 4257

Referred to Committee on Public Health

Introduced by:
(PH)

**AN ACT DEFINING HEALTH CARE PROVIDER FOR PURPOSES OF
PROMPT PAYMENT OF HEALTH INSURANCE CLAIMS.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Subdivision (15) of section 38a-816 of the general statutes is repealed
2 and the following is substituted in lieu thereof:

3 (15) (A) Failure to pay accident and health claims, including, but not
4 limited to, claims for payment or reimbursement to health care
5 providers, within the time periods set forth in subparagraph (B) of this
6 subdivision, unless the Insurance Commissioner determines that a
7 legitimate dispute exists as to coverage, liability or damages or that the
8 claimant has fraudulently caused or contributed to the loss. Any
9 insurer who fails to pay such a claim or request within the time
10 periods set forth in subparagraph (B) of this subdivision shall pay the
11 claimant or health care provider the amount of such claim plus interest
12 at the rate of fifteen per cent per annum, in addition to any other
13 penalties which may be imposed pursuant to sections 38a-11, 38a-25,
14 38a-41 to 38a-53, inclusive, 38a-57 to 38a-60, inclusive, 38a-62 to 38a-64,
15 inclusive, 38a-76, 38a-83, 38a-84, 38a-117 to 38a-124, inclusive, 38a-129
16 to 38a-140, inclusive, 38a-146 to 38a-155, inclusive, 38a-283, 38a-288 to

17 38a-290, inclusive, 38a-319, 38a-320, 38a-459, 38a-464, 38a-815 to 38a-
18 819, inclusive, 38a-824 to 38a-826, inclusive, and 38a-828 to 38a-830,
19 inclusive. Whenever the interest due a claimant or health care provider
20 pursuant to this section is less than one dollar, the insurer shall deposit
21 such amount in a separate interest-bearing account in which all such
22 amounts shall be deposited. At the end of each calendar year each such
23 insurer shall donate such amount to The University of Connecticut
24 Health Center.

25 (B) Each insurer shall pay claims not later than forty-five days after
26 receipt by the insurer of the claimant's proof of loss form or the health
27 care provider's request for payment filed in accordance with the
28 insurer's practices or procedures, except that when there is a deficiency
29 in the information needed for processing a claim, the insurer shall (i)
30 send written notice to the claimant or health care provider, as the case
31 may be, of all alleged deficiencies in information needed for processing
32 a claim not later than thirty days after the insurer receives a claim for
33 payment or reimbursement under the contract, and (ii) pay claims for
34 payment or reimbursement under the contract not later than thirty
35 days after the insurer receives the information requested.

36 (C) As used in this subdivision, "health care provider" means a
37 person licensed to provide health care services under chapter 368v,
38 chapters 370 to 373, inclusive, 375 to 383b, inclusive, 384a to 384c,
39 inclusive, or chapter 400j.

Statement of Purpose:

To define health care provider for purposes of prompt payment of health insurance claims.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]

Co-Sponsors: SEN. GUNTHER, 21st Dist.