



General Assembly

February Session, 2014

Raised Bill No. 5579

LCO No. 2302



Referred to Committee on INSURANCE AND REAL ESTATE

Introduced by:
(INS)

AN ACT EXTENDING THE GRACE PERIOD FOR NONPAYMENT OF PREMIUM FOR CERTAIN HEALTH PLANS AND CONCERNING DISCLOSURE BY HEALTH CARRIERS TO HEALTH CARE PROVIDERS OF ENROLLEES' PAID-UP STATUS.

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

1 Section 1. (NEW) (*Effective October 1, 2014*) (a) As used in this
2 section, "exchange", "health carrier", "qualified employer", "qualified
3 health plan" and "qualified individual" have the same meanings as
4 provided in section 38a-1080 of the general statutes, and "grace period"
5 means a continuous three-month period during which a qualified
6 individual or qualified employer has not paid the required premiums.

7 (b) (1) Each health carrier that offers a qualified health plan through
8 the exchange shall provide a grace period for qualified individuals and
9 qualified employers that enroll in such health plan on or after January
10 1, 2015, that shall be in addition to any period for nonpayment of
11 premium allowed in such health plan or required under title 38a of the
12 general statutes.

13 (2) (A) Each health carrier shall establish a telephone number for

14 enrollees and health care providers to call regarding (i) the notice
15 provided under subsection (c) of this section, (ii) requests and
16 information as set forth in subsection (d) of this section, or (iii) any
17 other questions related to qualified individuals and qualified
18 employers enrolled in qualified health plans through the exchange.

19 (B) No health carrier may, more than twelve months after the date
20 of receipt of a clean claim, seek to recoup full or partial payment from
21 any health care provider for services provided to an enrollee during a
22 grace period.

23 (c) (1) Each health carrier that offers a qualified health plan through
24 the exchange shall notify the following, on the first day of the second
25 month of the grace period, or if such first day falls on a Saturday,
26 Sunday or legal holiday, the next business day thereafter, of any
27 qualified individual or qualified employer enrolled in a qualified
28 health plan through the exchange that has failed to pay the premium:
29 (A) The enrollee; (B) the enrollee's primary health care provider of
30 record and any other health care providers on record from whom such
31 enrollee has sought treatment; and (C) the exchange.

32 (2) Such notice shall include the following:

33 (A) The name of the enrollee, the name of the qualified health plan
34 in which such enrollee is enrolled, the purpose of the notice and a
35 notice-unique identification number;

36 (B) The first and last dates of the enrollee's grace period and a
37 statement that the enrollee's enrollment will terminate upon the
38 expiration of the grace period if the enrollee fails to pay the
39 outstanding premium or premiums by such date;

40 (C) An explanation of any action the health carrier intends to take,
41 with respect to the enrollee and the health care provider, during the
42 grace period and upon the expiration of the grace period. Such
43 explanation shall include (i) whether the health carrier will suspend

44 any or all payment of claims to such provider for services provided to
45 such enrollee during the grace period until such time as the enrollee
46 pays the outstanding premium or premiums, and (ii) whether the
47 health carrier, if it paid or will pay claims during the grace period, will
48 seek to recoup any payment made to such provider;

49 (D) An explanation of the health carrier's appeals process for the
50 enrollee in the event such enrollee believes the health carrier has
51 mistakenly placed the enrollee in a grace period; and

52 (E) The customer service telephone number for such enrollee or
53 provider to call regarding such notice.

54 (d) (1) If a health care provider or an authorized representative or
55 agent of a health care provider (A) requests information from such
56 health carrier regarding the eligibility of, (B) performs a benefit inquiry
57 for, or (C) submits a request for a related claim status for one or more
58 claims in a remittance advice related to, an enrollee of a qualified
59 health plan and such enrollee is in a grace period, such health carrier
60 shall clearly inform such provider, representative or agent that the
61 enrollee is in a grace period and payment by the health carrier is
62 questionable.

63 (2) Notwithstanding subparagraph (B) of subdivision (2) of
64 subsection (b) of this section, a health carrier shall be liable to pay
65 claims for services provided to an enrollee during a grace period and
66 may not seek to recoup full or partial payment from any health care
67 provider if such health carrier informed the provider, representative or
68 agent under subdivision (1) of this subsection that the enrollee is
69 eligible for services and failed to inform such provider, representative
70 or agent that the enrollee is in a grace period.

71 (e) If an enrollee's coverage has been terminated for nonpayment of
72 premium after the expiration of the grace period, the health carrier
73 shall notify the enrollee, the enrollee's primary health care provider of
74 record, any other health care providers on record from whom such

75 enrollee has sought treatment and the exchange.

76 (f) Any health carrier that offers a qualified health plan through the
77 exchange that violates any provision of this section shall be fined five
78 thousand dollars for each offense.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2014</i>	New section

Statement of Purpose:

To establish an additional grace period for enrollees in qualified health plans through the exchange and require health carriers to provide notice to health care providers when such enrollees enter such grace periods.

[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.]