

SENATE NO. 610

AN ACT RELATED TO PRIVATE INSURANCE ACCOUNTABILITY

*Be it enacted by the Senate and House of Representatives in General Court assembled,
And by the authority of the same, as follows:*

1 SECTION 1. Section 24B of chapter 175 of the general laws, as appearing in the 2004 official
2 edition, is hereby amended by inserting after the first paragraph the following paragraphs:
3 A health care insurer, including any self-insured sickness, health, or welfare plan, under this section
4 shall not refuse to pay and shall not retract payments for services provided to a retroactively
5 terminated or retroactively disenrolled policyholder or subscriber for services if the provider of
6 health care services can document that it received verification of an individual's eligibility status
7 following the specific administrative requirements of the insurer at the time service was provided.
8 A health care insurer, including any self-insured sickness, health, or welfare plan, under this
9 section, shall not retract payments more than 18 months after final payment on a claim. A health
10 care provider shall not submit claims for payment for health care services more than 18 months
11 after the services were provided. Pursuant to this section, a health care insurer must provide written
12 notice to the provider at least 30 days in advance of any effort to retroactively retract or recover any
13 such payment within the 18 month period, and said notice must include a clear identification of the
14 claim that is to be the subject of the retraction or recovery and all reasons for the intended retraction
15 or recovery. Written contracts between health care providers and health care insurers may include

16 provisions that set different time limits on submission of claims and retraction of payments. The 18
17 month limitation specified in this paragraph shall not apply to a claim that a provider or a carrier is
18 appealing because of suspected fraud.

19 SECTION 2: The Commissioner of Insurance shall promulgate regulations to enforce the
20 provisions this Act no later than 120 days after the effective date of the Act. Such regulations shall
21 be effective for all contracts between health care insurers, so called, and providers of health care
22 services, so called, which are entered into, renewed, or amended on or after the regulations effective
23 date.