

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2798 Session of
1996

INTRODUCED BY NICKOL, MAITLAND, OLASZ, WAUGH, DEMPSEY, GEORGE,
SCHRODER, SAYLOR, VANCE, LYNCH, TRELLO, E. Z. TAYLOR, SATHER,
BATTISTO, FLEAGLE, CLARK, BELFANTI, HALUSKA, LEDERER, MELIO,
PLATTS, STEELMAN AND MERRY, JUNE 26, 1996

REFERRED TO COMMITTEE ON INSURANCE, JUNE 26, 1996

AN ACT

1 Providing for joint payment for health care service contractors.

2 The General Assembly of the Commonwealth of Pennsylvania

3 hereby enacts as follows:

4 Section 1. Joint payment by health care service contractors.

5 (a) General rule.--Notwithstanding any provision of any
6 health care service contract, whenever such contract provides
7 for payments to subscribers for a service which may be legally
8 performed by a person licensed under the laws of this
9 Commonwealth for the practice of medicine, osteopathy,
10 dentistry, chiropractic, podiatry, optometry or physical
11 therapy, the payments shall be made jointly payable to the
12 subscriber and the provider of the service to require
13 endorsement by each.

14 (b) Exceptions.--The joint payment required pursuant to
15 subsection (a) shall not apply in the following instances:

16 (1) The health care service contractor, voluntarily or

1 under the terms of an agreement with the subscriber or the
2 provider, makes direct payment in the single name of the
3 provider.

4 (2) Evidence of prepayment to the provider is submitted
5 as part of a claim for payment to the health care service
6 contractor, in which case payment shall be made in the single
7 name of the subscriber.

8 Section 2. Policies.

9 The provisions of this act shall apply to all policies of
10 insurance and self-insured sickness, health or welfare plans
11 providing health care benefits, including contracts entered into
12 by a health plan corporation granted a certificate of authority
13 under the provisions of 40 Pa.C.S. Pt. III Art. A (relating to
14 health plan corporations).

15 Section 3. Applicability.

16 This act shall apply to a contract for health care services
17 issued or renewed after the effective date of this act.

18 Section 4. Effective date.

19 This act shall take effect in 60 days.