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House of Representatives

COMMONWEALTH OF PENNSYLVANIA

HARRISBURG

COMMITTEES

URBAN AFFAIRS,
REPUBLICAN CHAIRMAN, SUBCOMMITTEE ON
FIRST CLASS CITIES
EDUCATION
VETERANS & EMERGENCY PREPARDNESS

MEMORANDUM

Subject:

Proposed Legislation on Assignment of Benefits

To:

All House Members

From:

Representative Thomas P. Murt

This memo is a request for co-sponsorship of legislation which amends the Insurance Company Law (Act 248 of 1921) regarding assignment of benefits. I am introducing this legislation in order to maintain a patient's ability to choose his/her own provider and to streamline the reimbursement process for patients, who may otherwise need to provide payment up front for health care services, which can be a financial burden especially during these difficult economic times.

Specifically, the legislation requires that the insurance claim form contain an option for the insured (i.e. policyholder or enrollee) to direct the insurance company to pay the health care provider directly regardless of whether the health care provider is a participating provider in the health plan.

My bill does not require the insurance company to pay any more to the health care provider than the insurance company would normally pay with no assignment of benefit. In other words, the legislation does not change the amount the insurer would pay for the services only to whom the check is written. The insurance company may require written attestation of the assignment. This option alleviates the burden of the insured from having to sign over their reimbursement check to the health care provider.

If you wish to be added to this legislation as a co-sponsor, kindly e-mail my secretary, Amy Bossart at Abossart@pahousegop.com

Thank you for your time and attention.

TPM/ab