

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 850 Session of 2021

INTRODUCED BY J. WARD, MARTIN, STEFANO, MENSCH, PHILLIPS-HILL, BOSCOLA AND LAUGHLIN, SEPTEMBER 13, 2021

REFERRED TO BANKING AND INSURANCE, SEPTEMBER 13, 2021

AN ACT

1 Amending the act of May 17, 1921 (P.L.682, No.284), entitled "An
 2 act relating to insurance; amending, revising, and
 3 consolidating the law providing for the incorporation of
 4 insurance companies, and the regulation, supervision, and
 5 protection of home and foreign insurance companies, Lloyds
 6 associations, reciprocal and inter-insurance exchanges, and
 7 fire insurance rating bureaus, and the regulation and
 8 supervision of insurance carried by such companies,
 9 associations, and exchanges, including insurance carried by
 10 the State Workmen's Insurance Fund; providing penalties; and
 11 repealing existing laws," in uniform health insurance claim
 12 form, further providing for forms for health insurance
 13 claims.

14 The General Assembly of the Commonwealth of Pennsylvania
 15 hereby enacts as follows:

16 Section 1. Section 1202 of the act of May 17, 1921 (P.L.682,
 17 No.284), known as The Insurance Company Law of 1921, is amended
 18 to read:

19 Section 1202. Forms for Health Insurance Claims.--(a) Each
 20 health insurance claim form processed or otherwise used by an
 21 insurer, including those used by the Department of [Public
 22 Welfare] Human Services for public health care coverage, shall
 23 be the uniform claim form developed by the department. The claim

1 form shall be identical in form and content except as provided
2 in subsection (c). The department shall, in consultation with
3 the Department of [Public Welfare] Human Services, insurers and
4 health care providers or their representatives, first consider
5 the feasibility of utilizing the UB-82/HCFA-1450 and HCFA-1500
6 forms, or their successors, as a uniform claim form. If these
7 forms are deemed to be unsatisfactory, the department shall, in
8 consultation with the Department of [Public Welfare] Human
9 Services, insurers and health care providers or their
10 representatives, develop a uniform claim form for use by all
11 insurers, the Department of [Public Welfare's] Human Services'
12 public health care coverage program and health care providers.
13 The uniform claim form shall contain blank spaces at appropriate
14 places in the document for approved additional information
15 requests under subsection (c).

16 (b) The feasibility study and subsequent development of the
17 uniform claim form shall be complete within one hundred eighty
18 (180) days of the effective date of this article. All insurers,
19 the Department of [Public Welfare's] Human Services' public
20 health care coverage program and health care providers shall be
21 required to use the uniform claim form within one hundred twenty
22 (120) days after the uniform claim form is developed. The
23 department may consider a request from the Department of [Public
24 Welfare] Human Services for an extension in meeting the
25 implementation schedule of this section.

26 (c) (1) Subject to the procedure contained in clause (2),
27 an insurer may request that a claimant provide departmentally
28 approved additional information which is not requested on the
29 uniform claim form.

30 (2) An insurer may request departmental approval of

1 additional information requests to be printed in the blank
2 spaces on the uniform claim form, and on subsequent pages if
3 necessary, by submitting a written request to the department.
4 Such a request shall be deemed approved by the department if not
5 disapproved within sixty (60) days after receipt of the request.
6 A disapproval shall be subject to the procedures under 2 Pa.C.S.
7 (relating to administrative law and procedure).

8 (3) If, in a dental claim form, an insured specifically
9 authorizes payment of benefits directly to an entity or person
10 who provided dental services in accordance with the provisions
11 of the policy, the insurer shall make the payment to the
12 specific provider of the dental services. The insurance contract
13 may not prohibit, and claim forms must provide an option for,
14 the payment of benefits directly to the specified provider of
15 the dental service. The insurer may require written attestation
16 of the assignment of the payment. Payment to the specific
17 provider of the dental services from the insurer shall be the
18 same amount that the insurer would otherwise have paid without
19 the assignment of payment.

20 (4) Clause (3) shall expire upon publication of the notice
21 under subsection (f).

22 (d) In the case of vision and dental claim forms and in the
23 case of supplemental major medical claim forms, utilization of
24 the uniform claim form shall be at the discretion of the
25 individual insurer.

26 (e) The Legislative Budget and Finance Committee shall
27 perform the following duties:

28 (1) Conduct a study that examines:

29 (i) The costs and benefits associated with the direct
30 reimbursement of nonparticipating providers by health insurance

1 carriers under a valid assignment of payment as provided under
2 subsection (c)(3).

3 (ii) The impact on consumers of prohibiting health insurance
4 carriers from refusing to accept a valid assignment of payment
5 as provided under subsection (c)(3).

6 (iii) The impact of requiring direct reimbursement of
7 nonparticipating providers by health insurance carriers on a
8 health insurance carrier's ability to maintain an adequate
9 number of providers in the health insurance carrier's network.

10 (iv) Whether there has been a decrease in network
11 participation of ten percentum (10%) or greater than the median
12 fluctuation rate of dental network participation over the
13 previous ten (10) years. If there has been such a decrease, that
14 fact shall be included as a finding in the report required under
15 clause (2).

16 (2) Present a report on the study under clause (1) to the
17 Insurance Commissioner, the chairperson and minority chairperson
18 of the Banking and Insurance Committee of the Senate and the
19 chairperson and minority chairperson of the Insurance Committee
20 of the House of Representatives no later than thirty-six (36)
21 months after the effective date of this subsection.

22 (f) If the report of the Legislative Budget and Finance
23 Committee under subsection (e) includes a finding that there has
24 been a decrease in network participation of ten percentum (10%)
25 or greater than the median fluctuation rate of dental network
26 participation over the previous ten (10) years, the Insurance
27 Commissioner shall, within fourteen (14) days of receipt of the
28 report from the Legislative Budget and Finance Committee, submit
29 a notice to the Legislative Reference Bureau for publication in
30 the Pennsylvania Bulletin.

1 Section 2. This act shall take effect in 60 days.