

1 services provided to the covered person that are covered under the
2 policy.

3 (b) The covered person may, with or without the agreement of
4 the provider, revoke the assignment. The revocation shall be in
5 writing and shall be sent to the carrier. The carrier shall send a
6 copy of the revocation to the provider who is the subject of the
7 revocation. The revocation is effective when it has been received
8 by both carrier and the provider and only affects those charges
9 incurred after receipt by both.

10 (c) When a provider receives an assignment from a covered
11 person, it is the responsibility of the provider to bill the
12 carrier and notify the carrier that the provider holds an
13 assignment on file. The carrier shall honor the assignment the
14 same as if a copy of the assignment had been received by the
15 carrier. Only upon request of the carrier is the provider required
16 to give the carrier a copy of the assignment.

17 (d) The carrier shall honor the assignment and make payment of
18 covered benefits directly to the provider. If the carrier fails to
19 honor the assignment by making payment to the covered person and if
20 the covered person, upon receipt of the payment, fails to pay an
21 amount equivalent to the payment to the provider within forty-five
22 days, the carrier is liable for the payment directly to the
23 provider. It is the responsibility of the provider to notify the
24 carrier if payment has not been received. In that case, the
25 carrier shall make payment of covered benefits as specified in this

1 article.

2 (e) If the provider collects payment from the enrollee and
3 subsequently received payment from the carrier, the provider shall
4 reimburse the enrollee, less any applicable copayments,
5 deductibles, or coinsurance amounts, within forty-five days.

6 (f) Nothing in this section limits a carrier's ability to
7 determine the scope of its benefits, services, or any other terms
8 of its policies, or from negotiating contracts with licensed
9 hospitals or other licensed health care providers on reimbursement
10 rates or any other lawful provisions.

NOTE: The purpose of this bill is to provide a procedure under group accident and sickness insurance policies for assignment of benefits directly to providers based on the patient's assignment of benefit form.

This section is new; therefore, it has been completely underscored.