H. B. 3052 1 2 3 (By Delegates Marshall and Moore) [Introduced February 8, 2011; referred to the 4 5 Committee on Banking and Insurance then the Judiciary.] 6 7 8 9 10 A BILL to amend the Code of West Virginia, 1931, as amended, by adding thereto a new section, designated §33-16-18, relating 11 12 to assigning benefits directly to providers under group 13 accident and sickness insurance policies based on the 14 patient's assignment of benefit form. 15 Be it enacted by the Legislature of West Virginia: That the Code of West Virginia, 1931, as amended, be amended 16 17 by adding thereto a new section, designated \$33-16-18, to read as 18 follows: 19 ARTICLE 16. GROUP ACCIDENT AND SICKNESS INSURANCE. 20 §33-16-18. Assignment of health insurance benefits. 21 (a) Any carrier that provides health coverage to a covered 22 person shall allow, but not require, the covered person under the 23 policy to assign, in writing, payments due under the policy to a 24 licensed hospital, or other licensed health care provider, for

- 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 <u>carrier shall make payment of covered benefits as specified in this</u>

- 1 <u>article.</u>
- 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.