

FILED

2002 APR -1 A 10: 10

OFFICE WEST VIRGINIA
SECRETARY OF STATE

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~~2002 MAR 32 A 10: 06~~

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WEST VIRGINIA LEGISLATURE

Regular Session, 2002

ENROLLED

Committee Substitute for

SENATE BILL NO. 458

(By Senators Minard and Kessler)

PASSED March 9, 2002

In Effect ninety days from Passage

FILED

2002 APR -1 A 10: 10

OFFICE WEST VIRGINIA
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~~2002 MAR 32 A 10: 07~~

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ENROLLED

COMMITTEE SUBSTITUTE

FOR

Senate Bill No. 458

(SENATORS MINARD AND KESSLER, *original sponsors*)

[Passed March 9, 2002; in effect ninety days from passage.]

AN ACT to amend article twenty-five-a, chapter thirty-three of the code of West Virginia, one thousand nine hundred thirty-one, as amended, by adding thereto a new section, designated section twenty-three-a, relating to the health maintenance organization act; authorizing the commissioner to impose a civil penalty on providers who collect or attempt to collect from health maintenance organization subscribers money for covered services; providing for notice and hearing; and establishing penalties.

Be it enacted by the Legislature of West Virginia:

That article twenty-five-a, chapter thirty-three of the code of West Virginia, one thousand nine hundred and thirty-one, as amended, be amended by adding thereto a new section, designated section twenty-three-a, to read as follows:

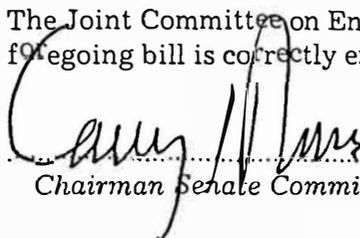
ARTICLE 25A. HEALTH MAINTENANCE ORGANIZATION ACT.

§33-25A-23a. Civil penalty imposed by commissioner.

1 No provider shall collect or attempt to collect from a
2 health maintenance organization enrollee any money for
3 services covered by the health maintenance organization.
4 If a provider collects or attempts to collect from a health
5 maintenance organization enrollee any money for services
6 covered by the health maintenance organization, then the
7 provider may be subjected to a civil money penalty to be
8 imposed by the commissioner. Upon a determination that
9 there is probable cause to believe that there has been a
10 violation of this section, the commissioner may provide
11 written notice to the alleged violator, stating the nature of
12 the alleged violation and that failure to refund the amount
13 of any improper billing within thirty days may result in
14 imposition of a civil penalty pursuant to the provisions of
15 this section. If the alleged violator fails to make a refund
16 within thirty days, the commissioner shall issue a written
17 notice of hearing stating the nature of the alleged violation
18 and the time and place at which the alleged violator shall
19 appear to show good cause why a civil penalty should not
20 be imposed: *Provided*, That if the commissioner has
21 previously found on three occasions that probable cause
22 existed to support a violation, the alleged violator shall
23 not be afforded the opportunity to make a refund before
24 issuance of the notice of hearing for any subsequent
25 violation.

26 If, after notice and hearing, the commissioner determines
27 that a violation of this section has occurred, the commis-
28 sioner may assess a civil penalty of not less than the
29 amount charged the subscriber but not more than one
30 thousand dollars. Subsequent violations of this section
31 result in fines of not more than two thousand dollars. Any
32 provider so assessed shall be notified of the assessment in
33 writing and the notice shall specify the reasons for the
34 assessment. Any provider may waive the right to a hearing
35 and receive a reduction in penalties of twenty-five percent.

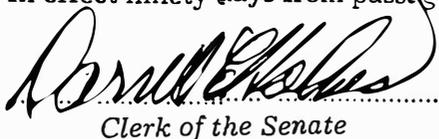
The Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.


.....
Chairman Senate Committee


.....
Chairman House Committee

Originated in the Senate.

In effect ninety days from passage.


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Clerk of the Senate


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Clerk of the House of Delegates


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President of the Senate


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Speaker House of Delegates

The within is approved..... this the 29th
Day of March....., 2002.


.....
Governor

PRESENTED TO THE

Governor

Date

3/20/02

Time

3:10 p