

HOUSE No. 284

The Commonwealth of Massachusetts

PRESENTED BY:

John D. Keenan

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the passage of the accompanying:
An Act related to insurer responsibility for collecting co-insurance and deductibles.

PETITION OF:

NAME:

DISTRICT/ADDRESS:

John D. Keenan

7th Essex

Jason M. Lewis

31st Middlesex

HOUSE No. 284

By Mr. Keenan of Salem, a petition (accompanied by bill, House, No. 284) of John D. Keenan and Jason M. Lewis relative to health insurer responsibility for collecting co-insurance and deductibles. Financial Services.

The Commonwealth of Massachusetts

An Act related to insurer responsibility for collecting co-insurance and deductibles.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1: Section 24B of chapter 175 of the General Laws, as appearing in the 2008
2 Official Edition, is hereby amended by inserting after the first paragraph the following
3 paragraph:

4 The commissioner shall also require health care insurers, including any self-insured
5 sickness, health, or welfare plan licensed under this chapter, to recover all co-insurance and
6 deductible amounts due from patients for covered services as required under the insurer's health
7 benefit plan. For purposes of this section, "co-insurance" is defined as a percentage of the
8 allowed charge, after a co-payment, if any, that a patient will pay for covered services received
9 under a health benefit plan. A "deductible" is defined as an annual dollar amount that must be
10 paid by a covered person for specified health care services that a patient uses before the insurer's
11 health benefit plan becomes obligated to pay for covered services; such deductible does not
12 include any portion of premiums paid by a patient. Insurers shall include the co-insurance and
13 deductible amounts due from patients for covered health care services in their payments to
14 providers; provided however, that such payment shall not be dependent on the insurer recovering
15 the co-insurance and deductible prior to processing and paying a claim made by a healthcare
16 provider. Nothing in this section shall prohibit providers and insurers from mutually agreeing to
17 alternative billing and payment processes when it has been determined that the patient has
18 secondary insurance coverage for the services provided. This paragraph shall not pertain to the
19 collection of co-payments, which is a fixed dollar amount structured by the insurer that is paid by
20 a patient to a healthcare provider, as defined under section 1 of chapter 111, at the time the
21 patient receives covered services.

22 SECTION 2: The Commissioner of Insurance shall promulgate regulations to enforce the
23 provisions of this Act no later than 90 days after the effective date of the Act. Such regulations

24 shall be effective for provider contracts and enrollee policies which are entered into, renewed, or
25 amended on or after the regulations effective date.