



HOUSE BILL 562: Health Care Reimbursement Contracts/AOBs.

2019-2020 General Assembly

Committee:	House Insurance. If favorable, re-refer to Rules, Calendar, and Operations of the House	Date:	April 5, 2019
Introduced by:	Reps. Torbett, Conrad, Grange, Black	Prepared by:	Jason Moran-Bates
Analysis of:	First Edition		Committee Staff

OVERVIEW: *House Bill 562 would require insurers to issue payments directly to health care providers if there is a reimbursement contract between the provider and insurer or if an insured with a reimbursement benefit contract executes a valid assignment of benefits.*

CURRENT LAW: G.S. 58-3-225 requires insurers to promptly pay benefits owed for claims under a health benefits plan. There is nothing in that section that requires benefits owed under a reimbursement contract to be paid directly to health care providers.

BILL ANALYSIS: The bill would create definitions for "health benefit plan," "health care provider," and "insured." It would also require reimbursement contracts between insurers and providers to contain a provision that reimbursement payments be issued directly to the providers. Finally, it would require insurers to accept assignment of benefits agreements executed by insureds.

EFFECTIVE DATE: This act would be effective July 1, 2019, and apply to reimbursement contracts and assignment of benefit agreements entered into or amended on or after that date.

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