

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2019

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SENATE BILL 430

Short Title: Health Insurance Provider Payment Stability. (Public)

Sponsors: Senators Perry and Krawiec (Primary Sponsors).

Referred to: Rules and Operations of the Senate

April 1, 2019

1 A BILL TO BE ENTITLED  
2 AN ACT TO INCREASE PAYMENT STABILITY FOR HEALTH CARE PROVIDERS  
3 REGARDING PAYMENTS FROM INSURERS OFFERING HEALTH BENEFIT PLANS.  
4 The General Assembly of North Carolina enacts:

5 SECTION 1.(a) Article 3 of Chapter 58 of the General Statutes is amended by adding  
6 a new section to read:

7 "§ 58-3-226. Overpayment, retroactive denials, underpayments, and nonpayment; health  
8 benefit plans.

9 (a) For the purposes of this section, the terms "health benefit plan," "health care facility,"  
10 and "health care provider" shall have the same meaning as in G.S. 58-3-225."

11 SECTION 1.(b) G.S. 58-3-225(h) is recodified as G.S. 58-3-226(b).

12 SECTION 2. G.S. 58-3-226, as enacted by Section 1 of this act, reads as rewritten:  
13 "§ 58-3-226. Overpayment, underpayments, and nonpayment; health benefit plans.

14 (a) For the purposes of this section, the terms "health benefit plan," "health care facility,"  
15 and "health care provider" shall have the same meaning as in G.S. 58-3-225.

16 (b) Subject to the time lines required under this section, ~~the subsection, an insurer may~~  
17 ~~recover overpayments made to the a health care provider or health care facility by making~~  
18 ~~demands for refunds and by offsetting future payments. Any such recoveries demands or payment~~  
19 ~~offsets may also include related interest payments that were made under the requirements of this~~  
20 ~~section. G.S. 58-2-225. Not less than 30 calendar days before an insurer retroactively denies a~~  
21 ~~previously paid claim, seeks overpayment recovery recovery, or offsets future payments, the~~  
22 ~~insurer shall give written notice to the health care provider or health care facility, which notice~~  
23 ~~facility. The required notice shall be accompanied by adequate specific information to identify~~  
24 ~~the specific claim and the specific reason for the denial or the recovery. The retroactive denial of~~  
25 ~~a previously paid claim, the recovery of overpayments overpayments, or the offsetting of future~~  
26 ~~payments under this subsection shall be made within the two years six months after the date of~~  
27 ~~the original claim payment unless the any of the following apply:~~

28 (1) The insurer has reasonable belief of fraud or other intentional misconduct by  
29 the health care provider or health care facility or its agents, or the agents.

30 (2) The claim involves a health care provider or health care facility receiving  
31 payment for the same service from a government payor. The

32 (3) The claim was subject to coordination of benefits with another insurer. If the  
33 claim was subject to coordination of benefits with another insurer, then the  
34 time period is extended to 18 months.

35 (4) The claim submitted was a duplicate claim.



1 (c) A health care provider or health care facility may recover underpayments or  
2 nonpayments by the insurer by making demands for refunds. Any ~~such~~ recoveries by the health  
3 care provider or health care facility of underpayments or nonpayment by the insurer may include  
4 applicable interest ~~under this section, as provided under G.S. 58-3-225.~~ The recovery of  
5 underpayments or nonpayments under this subsection shall be made within the ~~two years~~ six  
6 months after the date of the original claim adjudication, unless the claim involves a health  
7 provider or health care facility receiving payment for the same service from a government payor."

8 **SECTION 3.** This act becomes effective October 1, 2019, and applies to claims  
9 submitted on or after that date.