

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2007

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HOUSE BILL 968*

Short Title: Health Insurance/Prompt Pay Time Lines. (Public)

Sponsors: Representatives Alexander, Samuelson, Dollar, Carney (Primary Sponsors); Earle, Insko, Luebke, Saunders, and Weiss.

Referred to: Insurance.

March 22, 2007

A BILL TO BE ENTITLED

AN ACT TO IMPOSE TIME LIMITATIONS ON OVERPAYMENT RECOVERY UNDER THE PROMPT CLAIM PAYMENTS STATUTE.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 58-3-225(h) reads as rewritten:

(h) To the extent permitted by the contract between the insurer and the health care provider or health care facility, and subject to the time lines required under this section, the insurer may recover overpayments made to the health care provider or health care facility by making demands for refunds and by offsetting future payments. Any such recoveries may also include related interest payments that were made under the requirements of this section. Not less than 45 calendar days before an insurer seeks overpayment recovery or offsets future payments, the insurer shall give written notice to the health care provider or health care facility which notice shall be accompanied by adequate specific information to identify the specific claim and the specific reason for the recovery. The recovery of overpayments or offsetting of future payments may be made not more than 180 calendar days after the date of the original claim payment unless the insurer provides documented evidence of fraud by the health care provider or health care facility. Recoveries by the insurer must be accompanied by the specific reason and adequate information to identify the specific claim. To the extent permitted by the contract between the insurer and the health care provider or health care facility, the health care provider or health care facility may recover underpayments or nonpayments by the insurer by making demands for refunds. Any such recoveries by the health care provider or health care facility of underpayments or nonpayment by the insurer may include applicable interest under this section. The period for which such recoveries may be made ~~may be specified in the contract between the insurer and health care provider or health care facility.~~ may not exceed 180 calendar days after the date of the original claim payment, unless the insurer provides documented evidence of fraud by the health care provider or health care facility."

1 **SECTION 2.** This act is effective when it becomes law and applies to
2 contracts entered into on and after that date.