START\_STATUTE20-241.  Contracts to provide health care services; form of payment; notice; explanation of benefits; definitions

A.  A contract between a health insurer and a health care provider that is issued, amended or renewed on or after January 1, 2020 to provide health care services to the health insurer's enrollees may not restrict the method of payment from the health insurer to the health care provider in which the only acceptable payment method is a credit card payment.

B.  If a health insurer initiates or changes payments to a health care provider using electronic funds transfer payments, including virtual credit card payments, the health insurer shall do the following:

1.  Notify the health care provider if any fee is associated with a particular payment method.

2.  Advise the health care provider of the available methods of payment and provide clear instructions to the health care provider as to how to select an alternative payment method.

3.  Remit or associate with each payment the explanation of benefits.

C.  A health insurer that initiates or changes payment to a health care provider using the health care electronic funds transfers and a remittance advice transaction pursuant to 45 Code of Federal Regulations sections 162.1601 and 162.1602 may not charge a fee solely to transmit the payment to a health care provider unless the health care provider has consented to the fee. A health care provider agent may charge reasonable fees when transmitting an electronic funds transfer or automatic clearing house related to transaction management, data management, portal services and other value-added services above and beyond the bank transmittal.

D.  For the purposes of this section:

1.  "Electronic funds transfer payment" means a payment by any method of electronic funds transfer other than a standard health care electronic funds transfers and remittance advice transaction pursuant to 45 Code of Federal Regulations sections 162.1601 and 162.1602.

2.  "Health care provider" means a person who is licensed, registered or certified as a health care professional under title 32 or a laboratory or durable medical equipment provider that furnishes services to an enrollee and that separately bills the enrollee for the services.

3.  "Health care provider agent" means a person or entity that contracts with a health care provider establishing an agency relationship to process bills for services provided by the health care provider under the terms and conditions of a contract between the agent and health care provider, which may allow the agent to submit bills, request reconsideration, and receive reimbursement.

4.  "Health insurer" means a disability insurer, group disability insurer, blanket disability insurer, health care services organization, hospital service corporation, medical service corporation or hospital, medical, dental and optometric service corporation and includes the health insurer's designee. END\_STATUTE