

## Senate Bill 53

By: Senators Walker of the 22<sup>nd</sup>, Stokes of the 43<sup>rd</sup>, Thomas of the 2<sup>nd</sup>, Tate of the 38<sup>th</sup>, Butler of the 55<sup>th</sup> and Thomas of the 10<sup>th</sup>

A BILL TO BE ENTITLED  
AN ACT

1 To amend Title 43 of the Official Code of Georgia Annotated, relating to professions and  
2 businesses, so as to enact the "Fair Health Care Billing Act of 2001"; to state legislative  
3 findings; to define terms; to provide for obligations and fees under health benefit plans and  
4 contractual and other liabilities and standards relating thereto; to limit certain collection and  
5 legal actions; to provide for notification of test results; to provide for violations and unfair  
6 practices; to amend Code Section 10-1-393 of the Official Code of Georgia Annotated,  
7 relating to unfair practices, so as to include among those practices certain violations relating  
8 to health care billing; to amend Code Section 33-6-5 of the Official Code of Georgia  
9 Annotated, relating to unfair insurance practices, so as to include among those practices  
10 certain violations relating to health care billing; to provide for applicability; to repeal  
11 conflicting laws; and for other purposes.

12 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

**SECTION 1.**

13 Title 43 of the Official Code of Georgia Annotated, relating to professions and businesses,  
14 is amended by adding after Chapter 1B thereof a new chapter to read as follows:  
15

"CHAPTER 1C

16 43-1C-1.

17 This chapter shall be known and may be cited as the 'Fair Health Care Billing Act of 2001.'

18 43-1C-2.

19 The General Assembly finds and declares that managed health care has served to increase  
20 both efficiency and service in the provision of health care in part by creating a transparent  
21 market for health care services. By contracting with physicians on behalf of patients,  
22

1 managed care plans have protected consumers from hidden or added charges and  
2 introduced a measure of certainty into what was a highly uncertain process. In order to  
3 ensure that the citizens of this state continue to receive the benefits they have paid for, it  
4 is imperative that physicians adhere to their contractual obligations to charge only those  
5 fees agreed to and not attempt to pass additional or hidden costs along to their patients.  
6 The purpose of this chapter is to ensure that health benefit plan enrollees are not charged  
7 fees above and beyond those already contracted for between their physicians and their  
8 health benefit plans.

9 43-1C-3.

10 As used in this chapter, the term:

11 (1) 'Enrollee' means an individual who has elected to contract for or participate in a  
12 health benefit plan for that individual or for that individual and that individual's eligible  
13 dependents and includes that enrollee's eligible dependents.

14 (2) 'Health benefit plan' means any hospital or medical insurance policy or certificate,  
15 health care plan contract or certificate, qualified higher deductible health plan, health  
16 maintenance organization subscriber contract, any health benefit plan established  
17 pursuant to Article 1 of Chapter 18 of Title 45, or any managed care plan.

18 (3) 'Insurer' means a corporation or other entity which is licensed or otherwise authorized  
19 to offer a health benefit plan in this state.

20 (4) 'Patient' means a person who seeks or receives health care services under a health  
21 benefit plan.

22 (5) 'Physician' means a person licensed to practice medicine under Article 2 of Chapter  
23 34 of Title 43.

24 43-1C-4.

25 (a) Every contract between a physician and an insurer which offers a health benefit plan  
26 under which that physician provides health care services shall be in writing and shall state  
27 the obligations of the parties with respect to charges and fees for services covered under  
28 that plan when provided by that physician to enrollees under that plan. Neither the insurer  
29 which provides that plan nor the enrollee under that plan shall be liable for any amount  
30 which exceeds the obligations so established for such covered services and the enrollee  
31 shall also not be liable for the obligations so established for such covered services whether  
32 or not the health benefit plan fails to meet such obligations.

33 (b) A physician who knowingly accepts as a patient a person who is an enrollee in a  
34 managed care plan with whom such physician has no contract to provide health care  
35 services to enrollees thereof, when such patient has been referred to that physician by

1 another physician who has such a contract with that plan, shall be entitled only to such fee  
 2 amounts as are paid for health care services covered under that plan as are allowed to  
 3 comparable physicians in such plan who provide those services. The health care plan shall  
 4 be liable for such fee amounts and the enrollee shall not be liable for such amounts or any  
 5 amount exceeding such fee amounts.

6 (c) Neither the physician nor a representative thereof shall collect or attempt to collect from  
 7 any enrollee any obligations with respect to charges and fees for which the enrollee is not  
 8 liable and neither such physician nor a representative thereof may maintain any action at  
 9 law against such enrollee to collect any such obligations.

10 (d) The provisions of this Code section shall not apply to the amount of any deductible or  
 11 copayment which is not covered by the health benefit plan.

12 (e) Every contract required to state the obligations required by subsection (a) of this Code  
 13 section shall contain the restrictions and limitations required under this Code section.

14 43-1C-5.

15 A physician must attempt to inform a patient within 24 hours of the receipt of the patient's  
 16 laboratory test results. This attempt may take the form of direct, electronic, or telephonic  
 17 contact; an electronic or telephonic message asking the patient to contact the physician; or  
 18 a written or electronic communication transmitted within 24 hours of receipt of the test  
 19 results.

20 43-1C-6.

21 A violation of any provision of this chapter by a physician shall be unlawful and shall be  
 22 an unfair practice under Code Section 10-1-393. A violation of any provision of this  
 23 chapter by an insurer or other entity subject to licensing by the Commissioner of Insurance  
 24 shall be an unfair practice under Code Section 33-6-5.

25 43-1C-7.

26 This chapter shall apply to only such health benefit plan contracts issued, delivered, issued  
 27 for delivery, or renewed in this state on or after July 1, 2001."

## 28 SECTION 2.

29 Code Section 10-1-393 of the Official Code of Georgia Annotated, relating to unfair  
 30 practices in consumer transactions, is amended by adding between paragraphs (30) and (31)  
 31 of subsection (b) thereof the following:

32 "(30.1) Violation by a physician of Chapter 1C of Title 43, the 'Fair Health Care Billing  
 33 Act of 2001';"

**SECTION 3.**

Code Section 33-6-5 of the Official Code of Georgia Annotated, relating to unfair insurance practices, is amended by adding between paragraphs (12) and (13) thereof the following:

"(12.1) No insurer or other entity subject to licensing by the Commissioner shall violate any provision of Chapter 1C of Title 43, the 'Fair Health Care Billing Act of 2001';"

**SECTION 4.**

All laws and parts of laws in conflict with this Act are repealed.