

Senate Bill 276

By: Senators Echols of the 49th, Strickland of the 42nd, Hatchett of the 50th, Hufstetler of the 52nd, Tillery of the 19th and others

A BILL TO BE ENTITLED
AN ACT

1 To amend Code Section 49-4-148 of the Official Code of Georgia Annotated, relating to
2 recovery of medical assistance from third party liable for sickness, injury, disease, or
3 disability, so as to revise certain provisions to comply with federal law; to bar liable
4 third-party payers from refusing payment solely because a healthcare item or service did not
5 receive prior authorization; to require a third-party payer to respond to an inquiry from the
6 Department of Community Health regarding a healthcare claim within 60 days; to provide
7 for related matters; to repeal conflicting laws; and for other purposes.

8 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

9 **SECTION 1.**

10 Code Section 49-4-148 of the Official Code of Georgia Annotated, relating to recovery of
11 medical assistance from third party liable for sickness, injury, disease, or disability, is
12 amended by revising subsection (b) as follows:

13 "(b) All insurers, as defined in Code Section 33-24-57.1, including but not limited to group
14 health plans as defined in Section 607(1) of the federal Employee Retirement Security Act
15 of 1974, managed care entities as defined in Code Section 33-20A-3, which offer health
16 benefit plans, as defined in Code Section 33-24-59.5, pharmacy benefits managers, as

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17 defined in Code Section 33-64-1, and any other parties that are, by statute, contract, or
18 agreement, legally responsible for payment of a claim for a ~~health care~~ healthcare item or
19 service shall comply with this subsection. Such entities set forth in this subsection shall:

20 (1) Cooperate with the department in determining whether a person who is a recipient
21 of medical assistance may be covered under that entity's health benefit plan and eligible
22 to receive benefits thereunder for the medical services for which that medical assistance
23 was provided and respond to any inquiry from the state regarding a claim for payment for
24 any ~~health care~~ healthcare item or service submitted not later than three years after such
25 item or service was provided;

26 (2) Accept the department's ~~authorization for the provision of medical services~~ payment
27 for a healthcare item or service on behalf of a recipient of medical assistance as the
28 ~~entity's third-party payer's~~ authorization for the provision of those services and shall not
29 refuse to pay for a healthcare item or service solely on the basis that the third-party payer
30 did not previously authorize such item or service;

31 (3) Respond to a department inquiry regarding the status of a claim for payment for any
32 healthcare item or service within 60 days of receiving the inquiry;

33 ~~(3)~~(4) Comply with the requirements of Code Section 33-24-59.5, regarding the timely
34 payment of claims submitted by the department for medical services provided to a
35 recipient of medical assistance and covered by the health benefit plan, subject to the
36 payment to the department of interest as provided in that Code section for failure to
37 comply;

38 ~~(4)~~(5) Provide the department, on a quarterly basis, eligibility and claims payment data
39 regarding applicants for medical assistance or recipients for medical assistance;

40 ~~(5)~~(6) Accept the assignment to the department or a recipient of medical assistance or
41 any other entity of any rights to any payments for such medical care from a third party;
42 and

43 ~~(6)~~(7) Agree not to deny a claim submitted by the department solely on the basis of the
44 date of submission of the claim, type or format of the claim, or a failure to present proper
45 documentation at the point-of-sale which is the basis of the claim, if:

46 (A) The claim is submitted to the department within three years from when the item
47 or service was furnished; and

48 (B) Any action by the department to enforce its rights with respect to such claim
49 commenced within six years of the department's submission of the claim.

50 The requirements of paragraphs (2) and ~~(3)~~ (4) of this subsection shall only apply to a
51 health benefit plan which is issued, issued for delivery, delivered, or renewed on or after
52 April 28, 2001."

53 **SECTION 2.**

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