

HB391 INTRODUCED



1 HB391
2 VGKHLPL-1
3 By Representative Robbins
4 RFD: Insurance
5 First Read: 02-Apr-24



SYNOPSIS:

Under existing law, medical care for an employee who is injured on the job is paid for by the employer's workers' compensation insurance when the medical care is certified as medically necessary and is provided by health care facilities and professionals authorized by the employer.

This bill would provide that if an injured employee is covered by a health insurance policy, a health care provider authorized by the employer may bill the health insurance for the certified medical care and if the health insurance covers the claim, the employer's workers' compensation insurance will reimburse the health insurer.

This bill would further specify the rights or obligations that would not be imposed on employers, employees, and health insurers as a result of this practice.

A BILL

TO BE ENTITLED

AN ACT

Relating to workers' compensation; to permit health



HB391 INTRODUCED

care institutions, facilities, and professionals who are authorized to provide medical care under an employer's workers' compensation fund to bill an injured employee's health insurance for payment; to provide for employer reimbursement of health insurance plans that cover the medical care for injured employees; and to limit the rights and obligations of the parties under these provisions.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

Section 1. (a) For purposes of this section, the following terms have the following meanings:

(1) CERTIFIED MEDICAL CARE. Any medical care that is certified as medically necessary by an employer or a qualified utilization review entity to be rendered by a provider to an employee.

(2) DEPARTMENT OF LABOR. The Department of Labor of the State of Alabama.

(3) EMPLOYEE. The term as defined in Section 25-5-1, Code of Alabama 1975.

(4) EMPLOYER. Depending upon the context, either of the following:

a. An employer as defined in Section 25-5-1, Code of Alabama 1975.

b. Workers' compensation insurance maintained by the employer, including a commercial insurance policy, commercial assigned risk pool, group self-insurance, or self-insurance maintained by an employer which has been approved by the Department of Labor.

(5) HEALTH INSURANCE PLAN. Any group or individual



HB391 INTRODUCED

57 plan, policy, or contract that provides, delivers, arranges,
58 pays, or reimburses for medical care, and is issued or
59 administered by an entity, including a health care services
60 plan incorporated under Chapter 20 of Title 10A, Code of
61 Alabama 1975, a health maintenance organization established
62 under Chapter 21A of Title 27, Code of Alabama 1975, or a
63 government payor, including Medicaid and Medicare. The term
64 includes an employer that self-insures to pay or reimburse for
65 medical care and treatment provided to employees.

66 (6) INJURY. The term as defined in Section 25-5-1, Code
67 of Alabama 1975.

68 (7) MEDICAL CARE. Treatment rendered by a provider to
69 an employee during an emergency, appointment, outpatient
70 visit, in-home visit, or inpatient stay, including surgery,
71 procedures, therapies, and rehabilitative or convalescent
72 care, all of which have the purpose of diagnosing, managing,
73 alleviating, or healing an injury. The term includes any
74 related drugs, supplies, or equipment used in the treatment.

75 (8) PROVIDER. Any hospital, emergency center,
76 ambulatory surgical center, outpatient rehabilitation center,
77 diagnostic facility, clinic, home health agency, physician,
78 pharmacist, dentist, chiropractor, psychologist, podiatrist,
79 therapist, pharmaceutical supply company, rehabilitation
80 service, or other person that provides medical care.

81 (b) Any provider that is authorized by an employer to
82 render certified medical care to an employee who is authorized
83 to be compensated for an injury may first submit a claim for
84 payment to a health insurance plan under which the employee is



HB391 INTRODUCED

covered, if applicable, and if the health insurance plan approves the claim, the employer shall reimburse both of the following:

(1) All amounts paid by the health insurance plan on the claim to the health insurance plan or the employee as may be applicable.

(2) All amounts to the employee for any out-of-pocket payments made by the employee under the terms of the health insurance plan, including deductibles, copayments, or coinsurance.

(c) If a health insurance plan refuses to pay a claim in whole or in part which is submitted by a provider for certified medical care, the employer shall pay the provider the amount for the certified medical care that would be due pursuant to its obligation under Chapter 5 of Title 25, Code of Alabama 1975.

(d) Nothing in this section may be construed to create any of the following:

(1) Any right of an employer to bring a civil action against a health insurance plan for enforcement of a claim for coverage for certified medical care rendered to an employee.

(2) Any right of the employer to be subrogated to the employee's contractual rights under the health insurance plan for enforcement of a claim for coverage for medical care, including the right to pursue administrative review or appeal under the terms of the health insurance plan, or to bring a civil action against the health care plan.

(3) Any right of an employee to use a provider who is a



HB391 INTRODUCED

member of the employee's health insurance plan network instead of the provider authorized by the employer.

(4) Any duty or obligation on the part of a health insurance plan to pay a claim submitted by a provider for an employee's certified medical care if payment is prohibited by any of the following:

a. A contractual term in the health insurance plan other than those terms that exclude certain categories or items of medical care from coverage.

b. Any law, regulation, or rule governing the health insurance plan.

(5) Any new or additional duty or obligation on the part of a health insurance plan to adjust or revise its claims processing and payment procedures to comply with the rules of the Department of Labor.

Section 2. This act shall become effective on October 1, 2024.