

REFERENCE TITLE: AHCCCS; insurer claims data reporting

State of Arizona
Senate
Forty-eighth Legislature
First Regular Session
2007

SB 1533

Introduced by
Senator Allen

AN ACT

AMENDING TITLE 36, CHAPTER 29, ARTICLE 1, ARIZONA REVISED STATUTES, BY ADDING SECTION 36-2923; RELATING TO THE ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Title 36, chapter 29, article 1, Arizona Revised Statutes,
3 is amended by adding section 36-2923, to read:

4 36-2923. Insurer claims data reporting requirements:
5 administration as payor of last resort: civil
6 penalty: report: definition

7 A. THE DIRECTOR MAY REQUIRE ALL HEALTH CARE INSURERS, SELF-INSURED
8 PLANS, GROUP HEALTH PLANS AS DEFINED IN SECTION 607(1) OF THE EMPLOYMENT
9 RETIREMENT INCOME SECURITY ACT OF 1974, SERVICE BENEFIT PLANS, MANAGED CARE
10 ORGANIZATIONS, PHARMACY BENEFIT MANAGERS AND ANY OTHER PARTIES THAT BY
11 STATUTE, CONTRACT OR AGREEMENT ARE RESPONSIBLE FOR PAYMENT OF A CLAIM FOR A
12 HEALTH CARE ITEM OR SERVICE IN THIS STATE TO DO THE FOLLOWING:

13 1. PROVIDE ALL ENROLLMENT INFORMATION NECESSARY TO DETERMINE THE TIME
14 PERIOD IN WHICH A PERSON WHO IS DEFINED AS AN ELIGIBLE PERSON PURSUANT TO
15 SECTION 36-2901, PARAGRAPH 6, SUBDIVISION (a) OR THAT PERSON'S SPOUSE OR
16 DEPENDENTS MAY BE OR MAY HAVE BEEN ENROLLED IN PRIVATE INSURANCE.
17 INFORMATION PROVIDED PURSUANT TO THIS PARAGRAPH MUST INCLUDE THE NAME,
18 ADDRESS AND IDENTIFYING NUMBER OF THE PLAN.

19 2. ACCEPT THE STATE'S RIGHT OF RECOVERY FROM A THIRD PARTY PAYOR
20 PURSUANT TO SECTION 36-2903 AND THE ASSIGNMENT TO THIS STATE OF ANY RIGHT OF
21 AN INDIVIDUAL OR OTHER ENTITY TO PAYMENT FROM THE THIRD PARTY PAYOR FOR AN
22 ITEM OR SERVICE FOR WHICH PAYMENT HAS BEEN MADE PURSUANT TO THIS CHAPTER.

23 3. RESPOND TO ANY INQUIRY MADE BY THE DIRECTOR REGARDING A CLAIM FOR
24 PAYMENT FOR ANY HEALTH CARE ITEM OR SERVICE THAT IS SUBMITTED NOT LATER THAN
25 THREE YEARS AFTER THE DATE OF THE PROVISION OF THE HEALTH CARE ITEM OR
26 SERVICE.

27 4. NOT DENY A CLAIM SUBMITTED BY THIS STATE SOLELY ON THE BASIS OF THE
28 DATE OF THE SUBMISSION OF THE CLAIM, THE TYPE OR FORMAT OF THE CLAIM FORM OR
29 THE FAILURE TO PRESENT PROPER DOCUMENTATION AT THE POINT OF SALE THAT IS THE
30 BASIS OF THE CLAIM IF THE FOLLOWING CONDITIONS HAVE BEEN MET:

31 (a) THE CLAIM IS SUBMITTED BY THIS STATE IN THE THREE YEAR PERIOD
32 BEGINNING ON THE DATE ON WHICH THE ITEM OR SERVICE WAS FURNISHED.

33 (b) AN ACTION BY THIS STATE TO ENFORCE ITS RIGHTS WITH RESPECT TO THE
34 CLAIM IS COMMENCED WITHIN SIX YEARS AFTER THE STATE SUBMITTED THE CLAIM.

35 B. ON NOTICE TO THE DIRECTOR OF THE DEPARTMENT OF INSURANCE, THE
36 DIRECTOR OF THE ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM ADMINISTRATION
37 MAY IMPOSE EITHER OF THE FOLLOWING AGAINST A HEALTH CARE INSURER THAT DOES
38 NOT COMPLY WITH THE REQUIREMENTS OF THIS SECTION:

39 1. A CIVIL PENALTY OF ONE THOUSAND DOLLARS FOR EACH VIOLATION, NOT TO
40 EXCEED TEN THOUSAND DOLLARS IN A SIX-MONTH PERIOD IF THE DIRECTOR DETERMINES
41 THAT THE INSURER HAS TAKEN CORRECTIVE ACTION TO COMPLY WITH THE REQUIREMENTS
42 OF THIS SECTION.

- 1 2. A CIVIL PENALTY OF FIVE THOUSAND DOLLARS FOR EACH VIOLATION, NOT TO
2 EXCEED FIVE HUNDRED THOUSAND DOLLARS IN A SIX-MONTH PERIOD IF THE DIRECTOR
3 DETERMINES THAT THE INSURER HAS NOT TAKEN CORRECTIVE ACTION TO COMPLY WITH
4 THIS SECTION.
- 5 C. ON OR BEFORE JANUARY 1 OF EACH YEAR, THE DIRECTOR SHALL PUBLISH A
6 REPORT ON INSURER COMPLIANCE WITH THE CLAIMS DATA REPORTING REQUIREMENTS OF
7 THIS SECTION. THE REPORT SHALL INCLUDE THE FOLLOWING:
 - 8 1. A LIST OF EACH HEALTH CARE INSURER THAT HAS NOT COMPLIED WITH THE
9 REQUIREMENTS OF THIS SECTION.
 - 10 2. CORRECTIVE ACTIONS, IF ANY, THAT HEALTH CARE INSURERS HAVE TAKEN TO
11 COMPLY WITH THE REQUIREMENTS OF THIS SECTION.
 - 12 3. PENALTIES IMPOSED BY THE DIRECTOR ON EACH HEALTH CARE INSURER FOR
13 FAILING TO COMPLY WITH THE REQUIREMENTS OF THIS SECTION.
- 14 D. THE DIRECTOR SHALL SUBMIT A COPY OF EACH REPORT TO THE GOVERNOR,
15 THE PRESIDENT OF THE SENATE AND THE SPEAKER OF THE HOUSE OF REPRESENTATIVES
16 AND SHALL PROVIDE A COPY OF EACH REPORT TO THE SECRETARY OF STATE AND THE
17 DIRECTOR OF THE ARIZONA STATE LIBRARY, ARCHIVES AND PUBLIC RECORDS.
- 18 E. FOR THE PURPOSES OF THIS SECTION, "HEALTH CARE INSURER" MEANS:
 - 19 1. AN ENTITY TRANSACTING DISABILITY INSURANCE AS DEFINED IN SECTION
20 20-253.
 - 21 2. AN ENTITY TRANSACTING GROUP DISABILITY INSURANCE PURSUANT TO
22 SECTION 20-1401.
 - 23 3. AN ENTITY TRANSACTING BLANKET DISABILITY INSURANCE PURSUANT TO
24 SECTION 20-1404.
 - 25 4. A HEALTH CARE SERVICES ORGANIZATION AS DEFINED IN SECTION 20-1051.
 - 26 5. A PREPAID DENTAL PLAN ORGANIZATION AS DEFINED IN SECTION 20-1001.
 - 27 6. HOSPITAL SERVICE CORPORATIONS, MEDICAL SERVICE CORPORATIONS, DENTAL
28 SERVICE CORPORATIONS, OPTOMETRIC SERVICE CORPORATIONS AND HOSPITAL, MEDICAL,
29 DENTAL AND OPTOMETRIC SERVICE CORPORATIONS AS DEFINED IN SECTION 20-822.