

HOUSE BILL NO. HB0167

Insurance payments.

Sponsored by: Representative(s) Harvey, Martin, Olsen,
Simpson and Warren and Senator(s) Barrasso

A BILL

for

1 AN ACT relating to insurance contracts; establishing time
2 limits for reimbursement of health insurance overpayments;
3 establishing conditions for recovery of health insurance
4 payments by offset; and providing for an effective date.

5

6 *Be It Enacted by the Legislature of the State of Wyoming:*

7

8 **Section 1.** W.S. 26-15-124 by creating a new paragraph

9 (d) is amended to read:

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11 **26-15-124. Claims to be accepted or rejected;**
12 **attorney's fee.**

13

14 (d) An issuer of health insurance, as defined in W.S.
15 26-1-102(a)(xxxiii) or its assignee, may seek reimbursement

1 of benefits paid in error to a health care provider on
2 behalf of an insured, subject to the following conditions:

3

4 (i) The insurer gives written or electronic
5 notice to the provider and the insured specifying the date
6 of the payment, any identifying number associated with the
7 payment, the amount of the alleged overpayment and the
8 basis for the insurer's determination that the payment was
9 made in error;

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11 (ii) The notice required by paragraph (i) of
12 this subsection is sent by the insurer within eighteen (18)
13 months after the date of payment or twenty-four (24) months
14 after the date of service, whichever is sooner;

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16 (iii) The insurer shall have the burden of proof
17 in the administration of a policy or judicial proceedings
18 to collect the overpayment;

19

20 (iv) The insurer may collect the overpayment by
21 offsetting future payments to the same provider only if:

22

1 (A) The provider has authorized the insurer
2 in writing to recover the overpayment by offsetting future
3 payments; or

4
5 (B) The insurer has clear documentation
6 that the payment was erroneous under the provisions of the
7 policy, the provider has not responded to the insurer
8 within thirty (30) days of the notice required by paragraph
9 (i) of this subsection, and the payment to be offset is
10 made within twelve (12) months of the notice required by
11 paragraph (i) of this subsection.

12

13 **Section 2.** This act is effective July 1, 2004.

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(END)