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S.B. 162*
136th General Assembly

Bill Analysis

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Version: As Reported by Senate Financial Institutions, Insurance, and Technology

Primary Sponsor: Sen. Blessing

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SUMMARY

- Changes, from two years to one year, the period governing when:
  - A payment by a health insurance company to a health care provider is considered final; and
  - Overpayment recovery against a provider must be initiated.
- Prohibits a health insurance company from changing its payment, audit, or review timelines during the contract period.
- Prohibits a health insurance company charging a health care provider for appealing an overcharge determination.
- Extends the period during which a provider may respond to an overpayment notice from 30 days to 60 days.
- Requires a health insurance company to give a provider a notice of overpayment electronically when using an electronic notification system agreed to by the company and provider.

DETAILED ANALYSIS

The bill provides that a payment on a health care provider claim is final one year after payment is made. The bill also prohibits a company from changing its payment, audit, or review timelines during the contract period.[1]

* This analysis was prepared before the report of Senate Financial Institutions, Insurance, and Technology Committee appeared in the Senate Journal. Please note: the legislative history may not be complete.

[1] R.C. 3901.388(A).

The bill permits a company to recover any overpayment made to a provider if the recovery process was initiated within one year after the payment was made to the provider. The bill also prohibits a company from charging the provider a fee for an appeal of the company's overpayment determination.[2]

Under current law, a payment by a health insurance company to a health care provider is considered final, and the period of overpayment recovery is not later than, two years after the payment is made. Further, no limitation exists in current law preventing the company from (1) changing its payment, audit, or review timelines during a contract period, or (2) charging a provider a fee for appealing the overpayment determination.[3]

The bill also modifies the provisions relating to health insurance companies initiating recovery of overpayments. Current law provides that a health insurance company may initiate a recovery of an overpayment when the provider has failed to respond to the notice in less than 30 days, elects not to appeal the determination, or appeals the determination but the appeal is not upheld.

The bill removes the optional requirement that the provider elects not to appeal the determination, and extends the period during which the provider must respond to the notice from 30 days to 60 days. Additionally, the bill replaces the requirement that an appeal was "not upheld" with a requirement that it was "denied."[4]

Under the bill, if the health insurance company and the provider use and agreed-upon established electronic notification system, the health insurance company must give the provider the overpayment notice electronically through that system as well.[5]

HISTORY

Action	Date
Introduced	04-01-25
Reported, S. Financial Institutions, Insurance, and Technology	--

ANSB0162RS-136/ar

[2] R.C. 3901.388(B).

[3] R.C. 3901.388(A) and (B).

[4] R.C. 3901.388(B) and (C)(1).

[5] R.C. 3901.388(C)(2)