

Department of Planning and Budget
2025 General Assembly Session
State Fiscal Impact Statement

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ORIGINAL

Bill Number: SB925

Patron: Head

Bill Title: Health insurance; carrier business practices; method of payment for claims.

Bill Summary: Requires a health insurance carrier to notify the provider in the provider contract if the carrier, or entity completing a transaction of behalf of the carrier, uses a payment method that imposes a transaction or processing fee or similar charge on the provider, and shall offer the provider an alternative payment method in which the carrier, or entity completing a transaction on behalf of the carrier, does not impose such a fee or similar charge. If the provider elects to accept the alternative payment method and has provided all required information to the carrier to enroll in such alternative method, the carrier shall pay the claim using such alternative payment method.

Budget Amendment Necessary: No.

Items Impacted: None.

Explanation: The proposed legislation is not expected to have a state fiscal impact.

Fiscal Summary: According to the State Corporation Commission (SCC), there is no anticipated state fiscal impact as a result of the provisions of this bill because it does not create, modify, or remove any statutory responsibilities of the SCC.

Fiscal Analysis: The provisions of this bill require a health insurance carrier to notify the provider in the provider contract if the carrier, or entity completing a transaction of behalf of the carrier, uses a payment method that imposes a transaction or processing fee or similar charge on the provider, and shall offer the provider an alternative payment method in which the carrier, or entity completing a transaction on behalf of the carrier, does not impose such a fee or similar charge. These provisions do not create, modify, or remove any statutory responsibilities of the SCC, there is no anticipated state fiscal impact.

This bill is not expected to impact the state health plan or the Department of Medical Assistance Services.

Other: This bill is a companion to HB 2085-H1.