
DEPARTMENT OF INSURANCE

Licensing

- Eliminates the requirement that applications for a managing general agent (MGA) license or a public insurance adjuster certificate of authority be verified under oath.

Health care provider payment requirements

- Requires a health plan issuer to offer all reasonably available methods of payment to a health care provider, including payment by check and electronic funds transfer.
- Prohibits a health plan issuer requiring payment by credit card.
- Requires health plan issuers to implement requests to change a payment method within 30 business days.
- Prohibits health plan issuers from charging a fee for implementing a change to a health care provider's payment method.

Licensing

(R.C. 3905.72 and 3951.03)

The bill eliminates the requirement that applications for a managing general agent (MGA) license or a public insurance adjuster certificate of authority be verified under oath of a notary public. An MGA is a specialized type of insurance agent that is vested with underwriting authority from an insurer. A public insurance adjuster is an insurance claimed adjuster employed by the policyholder for appraising and negotiating an insurance claim.

Health care provider payment requirements

(R.C. 3901.3815)

The bill requires health plan issuers to offer all reasonably available methods of payment to a health care provider, including payment by check and electronic funds transfer. Under continuing law, a "health care provider" is a hospital, ambulatory care facility, long-term care facility, pharmacy, emergency facility, or health care practitioner. The bill defines "health plan issuer" to include any entity subject to Ohio insurance laws or the jurisdiction of the Superintendent of Insurance that contracts, or offers to contract to provide, deliver, arrange for, pay for, or reimburse any of the costs of health care services under a health benefit plan. The term includes a sickness and accident insurance company, a health insuring corporation, a fraternal benefit society, a self-funded multiple employer welfare arrangement, a nonfederal, government health plan, or a third-party administrator (such as a Pharmacy Benefit Manager) and any vendor contracted by the foregoing. The term excludes plans regulated by the federal

“Employee Retirement Income Security Act of 1974” (ERISA), which preempts most state insurance regulations.⁶⁹

The bill prohibits health plan issuers from requiring health care providers to accept payment via credit card, with “credit card” being defined as a single-use or virtual payment card provided in an electronic, digital, facsimile, physical, or paper format. If one of the available payment methods has an associated fee, health plan issuers are required, prior to initiating the first payment or upon changing the payment methods available, to do both of the following:

- Notify the health care provider that there may be fees associated with a particular payment method and disclose the amount of such fees;
- Provide the health care provider with clear instructions as to how to select each payment method either on the health plan issuer’s website or through a means other than the contract offered to the health care provider.

If a health care provider requests a change in payment method, the health plan issuer must implement the change within 30 business days. The payment method selected by the health care provider remains in effect until the health care provider requests a different method. The bill prohibits a health plan issuer from charging a fee to change a payment method.

⁶⁹ 29 U.S.C. 1144.