

Timely Payment of Workers' Compensation Medical Bills

H.444 provides a definition of medically necessary care - see 21 V.S.A. §601(27). It also adds a new section to Title 21 (§640a). That section establishes timely payment of medical bills requirements for workers' compensation claims.

1. The insurer must pay the bill within 30 days of receipt, or provide written notification to the injured employee, healthcare provider and the Commissioner of the Department of Labor that the bill is contested or denied.
2. The written notification shall include specific reasons supporting the contest or denial, a description of any additional information needed by the employer or insurance carrier to determine liability for the medical bill, and a request that such information be submitted to the employer or insurance carrier within 30 days following receipt of the notice.
3. If the employer or insurance company denied the medical bill based on insufficient information to determine liability for payment, the bill requires the insurance carrier to pay or deny payment within 30 days after receiving the additional information.
4. The bill stipulates that a medical bill must be submitted in legible form with every field or data element relevant to the treatment completed and treatment coding that conforms to the criteria of the National Correct Coding Initiative.
5. The bill establishes a 12% annual interest rate for unpaid medical bills. It also clarifies that a physician is able to bring a complaint against an insurance carrier to the Department of Labor.
6. The bill also allows the Commissioner of the Department of Labor to assess penalties against the employer or insurance carrier that fails to comply with provisions of sections and permits the Commissioner to refer to the BISHCA Commissioner if the insurance carrier neglects or fails to pay medical bills as required.