

304.32-147 Requirements for health service corporation that issues policy or administers program providing for utilization review of benefits.

- (1) Every nonprofit hospital, medical-surgical, dental, and health service corporation proposing to issue or deliver in this state a health insurance policy or contract or administer a health benefit program which provides for the coverage of hospital benefits and the utilization review of those benefits by a private review agent shall:
 - (a) Be a registered private review agent in accordance with KRS 304.17A-607 and administrative regulations promulgated under the authority of KRS 304.17A-613; or
 - (b) Contract with a private review agent that has been registered in accordance with KRS 304.17A-607 and administrative regulations promulgated under the authority of KRS 304.17A-613.
- (2) Notwithstanding any other provision of KRS 304.17A-603, 304.17A-605, 304.17A-607, 304.17A-609, 304.17A-611, 304.17A-613, and 304.17A-615, a nonprofit hospital, medical-surgical, dental, and health service corporation shall not deny or reduce payment of health benefits to any person, licensed practitioner, or health facility for covered services which have been rendered to an insured unless:
 - (a) Notice of denial has been issued. The notice shall inform patients, authorized persons, and health-care providers of their right to appeal adverse determinations of a utilization review by the insurer, its designee, or private review agent to the insurer for the internal appeal process established by the insurer in accordance with KRS 304.17A-617 and 304.17A-619. The notice shall also include instructions on filing an appeal to the cabinet; and
 - (b) The nonprofit hospital, medical-surgical, dental, and health service corporation is in compliance with subsection (1) of this section.

Effective: July 14, 2000

History: Amended 2000 Ky. Acts ch. 262, sec. 29, effective July 14, 2000. -- Amended 1998 Ky. Acts ch. 426, sec. 527, effective July 15, 1998. -- Amended 1996 Ky. Acts ch. 353, sec. 3, effective July 15, 1996. -- Created 1990 Ky. Acts ch. 451, sec. 9, effective July 13, 1990.