OHIO DEPARTMENT OF INSURANCE
STATE OF OHIO

BULLETIN 2010-06

GUIDANCE GOVERNING INTERPRETATION OF R.C. 1751.60
Effective November 9, 2010

Bulletin 2010-06 (hereafter, "this Bulletin") is being issued to rescind and replace Bulletin 2010-03. This Bulletin supersedes Bulletin 2010-03. This Bulletin is not intended to promote or encourage any practice involving a health care provider or health care facility seeking payment directly from a property & casualty liability insurer, and is not intended to overturn any court decisions. The purpose of this Bulletin is to clarify the Department's authority and provide guidance to insurance companies, health insuring corporations (sometimes called HMOs), health care providers and health care facilities regarding interpretation of Section 1751.60 of the Revised Code ("R.C."), which reads in pertinent part:

> **1751.60. Provider or facility to seek compensation for covered services solely from HIC.**
> (A) Except as provided for in divisions (E) and (F) of this section, every provider or health care facility that contracts with a health insuring corporation to provide health care services to the health insuring corporation's enrollees or subscribers shall seek compensation for covered services solely from the health insuring corporation and not, under any circumstances, from the enrollees or subscribers, except for approved copayments and deductibles.

The Department is seeking to clarify the meaning of the statute in the context of R.C. Chapter 1751 in order to avoid confusion regarding the statute and the Department's authority. R.C. Chapter 1751 governs the licensure and operation of health insuring corporations, including contracting between health insuring corporations and health care providers. The term "health insuring corporation" is specifically defined in R.C. 1751.01 (P). R.C. 1751.60 only applies to provider contracts involving health insuring corporations. It does not apply to providers in relation to coverage offered by sickness and accident insurers licensed under R.C. Title 39, self-insured health benefit plans, or third party administrators or carriers that administer self-insured plans on an "administrative services only" basis.

R.C. 1751.60 requires that a contract between a health insuring corporation and a health care provider or health care facility include a provision that holds harmless the health insuring corporation's subscriber from provider or facility charges for covered services, except for approved copays and deductibles. This statute prohibits a health care provider or health care facility from balance billing, or seeking compensation from, a subscriber, except for approved copayments and deductibles.

R.C. 1751.60 applies to compensation sought from a subscriber and provides the Department with authority to take action if a violation with respect to a subscriber occurs.

Neither R.C. Chapter 1751 nor R.C. 1751.60 reference a private right of action.

Mary Jo Hudson
Superintendent of Insurance

50 W. Town Street, 3rd Floor, Suite 300
Columbus, Ohio 43215