

**As Introduced**

**130th General Assembly  
Regular Session  
2013-2014**

**S. B. No. 75**

**Senator Tavares**

**Cosponsors: Senators Seitz, Brown**

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**A B I L L**

To amend section 1739.05 and to enact sections 1  
1751.76, 3923.71, and 3923.74 of the Revised Code 2  
to prohibit health insurers from denying payment 3  
for a service during or after the performance of 4  
the service if the insurer provided prior written 5  
authorization for the service. 6

**BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:**

**Section 1.** That section 1739.05 be amended and sections 7  
1751.76, 3923.71, and 3923.74 of the Revised Code be enacted to 8  
read as follows: 9

**Sec. 1739.05.** (A) A multiple employer welfare arrangement 10  
that is created pursuant to sections 1739.01 to 1739.22 of the 11  
Revised Code and that operates a group self-insurance program may 12  
be established only if any of the following applies: 13

(1) The arrangement has and maintains a minimum enrollment of 14  
three hundred employees of two or more employers. 15

(2) The arrangement has and maintains a minimum enrollment of 16  
three hundred self-employed individuals. 17

(3) The arrangement has and maintains a minimum enrollment of 18

three hundred employees or self-employed individuals in any 19  
combination of divisions (A)(1) and (2) of this section. 20

(B) A multiple employer welfare arrangement that is created 21  
pursuant to sections 1739.01 to 1739.22 of the Revised Code and 22  
that operates a group self-insurance program shall comply with all 23  
laws applicable to self-funded programs in this state, including 24  
sections 3901.04, 3901.041, 3901.19 to 3901.26, 3901.38, 3901.381 25  
to 3901.3814, 3901.40, 3901.45, 3901.46, 3902.01 to 3902.14, 26  
3923.24, 3923.282, 3923.30, 3923.301, 3923.38, 3923.581, 3923.63, 27  
3923.74, 3923.80, 3924.031, 3924.032, and 3924.27 of the Revised 28  
Code. 29

(C) A multiple employer welfare arrangement created pursuant 30  
to sections 1739.01 to 1739.22 of the Revised Code shall solicit 31  
enrollments only through agents or solicitors licensed pursuant to 32  
Chapter 3905. of the Revised Code to sell or solicit sickness and 33  
accident insurance. 34

(D) A multiple employer welfare arrangement created pursuant 35  
to sections 1739.01 to 1739.22 of the Revised Code shall provide 36  
benefits only to individuals who are members, employees of 37  
members, or the dependents of members or employees, or are 38  
eligible for continuation of coverage under section 1751.53 or 39  
3923.38 of the Revised Code or under Title X of the "Consolidated 40  
Omnibus Budget Reconciliation Act of 1985," 100 Stat. 227, 29 41  
U.S.C.A. 1161, as amended. 42

Sec. 1751.76. No health insuring corporation that agrees in 43  
writing to provide coverage for the performance of a service prior 44  
to the performance of the service shall deny payment for the 45  
service during or after the performance of the service unless the 46  
health insuring corporation's written agreement to provide 47  
coverage for the service was based upon inaccurate information 48  
provided to the health insuring corporation by the enrollee or 49

health care provider. 50

Sec. 3923.71. No sickness and accident insurer that agrees in 51  
writing to provide coverage for the performance of a service prior 52  
to the performance of the service shall deny payment for the 53  
service during or after the performance of the service unless the 54  
insurer's written agreement to provide coverage for the service 55  
was based upon inaccurate information provided to the insurer by 56  
the insured or the health care provider. 57

Sec. 3923.74. No public employee benefit plan that agrees in 58  
writing to provide coverage for the performance of a service prior 59  
to the performance of the service shall deny payment for the 60  
service during or after the performance of the service unless the 61  
public employee benefit plan's written agreement to provide 62  
coverage for the service was based upon inaccurate information 63  
provided to the public employee benefit plan by the plan member, 64  
covered dependent, or health care provider. 65

**Section 2.** That existing section 1739.05 of the Revised Code 66  
is hereby repealed. 67