

RESOLUTION 52 – 06A

Title: Time Limit Mandates on Retroactive Recoveries

Introduced by: Betty S. Chu, MD, for the Oakland County Delegation and
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Referred to: Reference Committee B

House Action:

Whereas, retroactive recoveries issued from insurance carriers for physician services can range from months to several years after the services were provided, and

Whereas, recoveries are often sought despite the fact that prior authorization was obtained for the services rendered, and

Whereas, insurance companies can deduct the recovery funds directly from physicians' future vouchers, and

Whereas, if another insurance carrier is deemed liable for the services, it is often too late to recover the funds because of claim filing deadlines, and

Whereas, it is very difficult for physicians to collect the money from patients because of the length of time between the date of service and the recovery request, and

Whereas, physicians must often write off legitimate health care services because of the structure of the recovery system, and

Whereas, the Texas Medical Association sought similar legislation that was passed and signed into law; therefore be it

RESOLVED: That MSMS seek legislation mandating a time limit of not more than six months that insurance carriers can seek retroactive recovery of monies paid to physicians for legitimate health care services.

WAYS AND MEANS COMMITTEE FISCAL NOTE: NONE