



COMMONWEALTH OF PUERTO RICO
OFFICE OF THE COMMISSIONER INSURANCE

December 17, 2004

CIRCULAR LETTER NO. : C-I-12-1723-2004

**TO ALL HEALTH SERVICES ORGANIZATIONS AND DISABILITY INSURERS
THAT WRITE HEALTH CARE INSURANCE IN PUERTO RICO**

**Re: Disclosure of the Internal Administrative Procedure for the Resolution of
Complaints required in Rule No. 73 and Composition of the Complaints Committee.**

Dear Sirs and Madams:

On June 9, 2002, the Puerto Rico Legislature passed Public Law No. 104, the "Prompt Payment of Claims of Health Services Providers" ("Public Law No. 104"). This law added a Chapter 30 to the Puerto Rico Insurance Code for the purpose of setting terms in which insurers and health services organizations were to pay claims to health services providers, and to provide the procedure for objecting to claims submitted for payment, among other matters.

Subsequently, the Office of the Commissioner of Insurance (OCI) promulgated Rule 73 of the Regulations of the Puerto Rico Insurance Code ("Rule 73"), for the purpose of complementing Public Law No. 104, and thereby ensure and regulate the prompt payment of claims from providers for health services rendered to subscribers of insurers or health services organizations.

Under Section 11 of Rule 73, all insurers and health services organizations that are authorized to provide health care insurance in Puerto Rico are required to establish internal administrative procedures for resolving complaints that included the designation of a Complaints Committee, comprised of at least (3) members designated at the discretion of the insurer or health services organization. Said Section 11 also provides that the Complaints Committee shall resolve all claims that are submitted within no more than thirty (30) calendar days.

Since the approval and implementation of Public Law No 104 and Rule 73 until the present, the OCI has had occasion to intervene in an increasing number of cases. These interventions have shown that there is evident confusion regarding the duties and obligations imposed under Public Law No. 104 and Rule 73 to insurers and health services organizations that are authorized to provide health care insurance in Puerto Rico, both with regard to addressing and resolving the claims that are submitted by the providers as well as with regard to addressing and resolving complaints that are submitted to the Complaints Committee.

In view of this situation, the OCI reiterates that insurers and health services organizations have the following obligations:

- To disclose to participating providers the procedure that was submitted to and approved by the OCI, so that they may have all of the necessary information to exhaust the internal complaints procedure, before requesting intervention by the OCI.
- To establish and maintain a Complaints Committee which is charged with resolving each and every one of the complaints that is duly submitted within the time provided for submission.
- To exercise the greatest rigor in drafting clauses of contracts, policies, or internal administrative procedures related to the management and evaluation of claims submitted by providers or complaints submitted to the Complaints Committee, so that there will be no impairment of the rights and guarantees afforded providers under Public Law No. 104 and Rule 73.

You must be advised that since the Complaints Committee is the adjudicatory entity with primary jurisdiction, the Committee has the obligation to:

- Strictly comply with the procedure approved by the OCI.
- Keep a complaints log, with the required details.
- Diligently process complaints that are submitted.
- Notify its decision in writing and within thirty (30) days, as well as the grounds for making the decision.
- Promptly notify the OCI of any change in the composition of the Complaints Committee or in the contact information.

We advise you that failure to comply with the provisions of Public Law. 104 and Rule 73 will entail the imposition of sanctions on the insurers and health services organizations, as provided in Section 13 of the Rule.

Finally, for the purpose of keeping our records current, we request that all health services organizations and disability insurers that write health care insurance in Puerto Rico, within a term not to exceed fifteen (15) calendar days, to be counted from the date of this Circular Letter, provide us with the following information:

1. Names of the members of the Complaints Committee;
2. Address for submitting Applications for Complaints;
3. Contact information: telephone number, fax, and email;
4. Date of the appointment of each member to the Complaints Committee and term of each appointment.
5. State the total number of complaints submitted to the Committee from the creation of the Complaints Committee and until June 30, 2004.

All health services organizations and disability insurers that write health care insurance in Puerto Rico are required to acknowledge the content of this Circular Letter and strictly comply with the provisions herein.

Very truly yours,

SIGNED

Dorelisse Juarbe-Jiménez
Commissioner of Insurance