COMMONWEALTH OF PUERTO RICO
OFFICE OF THE COMMISSIONER OF INSURANCE

November 15, 2016

RULING LETTER NO.: CN-2016-208-CM

TO ALL INSURERS OR HEALTH INSURANCE ORGANIZATIONS THAT MARKET HEALTH INSURANCE IN PUERTO RICO

RE: Charges in addition to health insurance coverage co-insurance or co-pay charges collected by health services providers

Dear Sirs and Madams:

This Office has received information regarding the practices of some health services providers of charging their patients an additional amount of money besides the co-insurance or co-pay that was contracted with the insurers or health insurance organization. We are advising all health services providers that a coordinated care plan that charges patients additional amounts, beside the co-insurance or co-pay established in the health insurance coverage for covered services, is violating Section 26.060 of the Puerto Rico Health Insurance Code, which in part provides the following:

> **Requirements for health insurance organizations or insurers and participating providers**
>
> Health insurance organizations or insurers that offer coordinated care plans must meet all of the following requirements:
>
> (a) ...The health insurance organization or insurer shall establish a mechanism by which participating providers may be constantly notified of the specific health care services for which such participating providers will be responsible, including any limitation or condition for providing such services.
>
> (b) All contracts between health insurance organizations or insurers and a participating provider shall include a hold harmless provision that is basically similar to the following:

B5 Tabonuco Street, Suite 216 • PMB 356 • Guaynabo, PR 00968-3029
Phone: (787) 304-8686 • Fax: (787) 273-6082
www.ocs.gobierno.pr

"Under no circumstances, including, among others, the failure to pay providers, the insolvency of the health insurance organization or insurer, or a breach of this contract, may the provider bill, charge or collect from the covered individual or insured any amount for services that have been provided according to the provisions of this contract, nor will the provider bring any legal action against such covered individual or insured. It is further provided that this clause does not prohibit the provider from charging the covered individual or insured the appropriate co-insurance, deductible or co-pay as established in the policy or evidence of coverage, or for the services that are not covered and were provided to covered individuals or insureds in the "pay for service" modality. Except as provided herein, this contract does not prohibit the provider from making use of other legal remedies that may be available to the provider.

(c) ...

(e) Under no circumstances may the participating provider charge or attempt to charge a covered individual or insured any amount of money that the health insurance organization or insurer owes to that provider.

(f) ...

(n) the health insurance organizations or insurers will notify the participating providers of their obligation, if any, to collect co-insurance, co-pay or deductible amounts that are applicable to covered individuals or insureds, as provided in the policy or evidence of coverage, or the obligations of the providers to notify covered individuals or insureds of their personal financial obligations with regard to services that are not covered." (Our emphasis.)

As for the other health insurance plans, that is to say, those that do not operate as coordinated care, whether under a health insurance contract approved by this Office or under a contract between the insurer or health insurance organization and the participating provider, it is expressly prohibited that such providers collect or attempt to collect from the patient any amount in addition to the co-insurance or co-pay for a covered service, or any amount owed by the insurer or health services organization to the provider.

As we consider that the practice of charging consumers amounts in addition to the co-insurance or co-pay that was agreed to in the policy, contract or evidence of coverage has a direct effect on the coverage of the health insurance plan, to the detriment of the insurance consumer and access to health services, in this letter we are clarifying the obligation of all insurers or health insurance organizations to demand strict compliance

with their contracts, the health insurance plan, and the Health Insurance Code, by health services providers that are engaging in the practices described above. We expect that for the benefit of the insured that these practices will be discontinued.

Strict compliance with the above is hereby required.

Very truly yours,

SIGNED

Ángela Weyne-Roig
Commissioner of Insurance