



GOVERNMENT OF PUERTO RICO
Office of the Commissioner of Insurance

March 30, 2020

RULING LETTER NO. CN-2020-272-D

TO ALL HEALTH INSURERS AND HEALTH SERVICES ORGANIZATIONS THAT ARE AUTHORIZED TO CONTRACT INSURANCE IN PUERTO RICO

RE: EXPEDITED PROCESS FOR PAYMENT OF CLAIMS FROM HOSPITALS AND LABORATORIES DURING THE COVID-19 EMERGENCY

Dear Sirs and Madams:

On March 12, 2020, the Governor of Puerto Rico, Honorable Wanda Vázquez-Garced, through Executive Order 2020-020, decreed a state of emergency in all of Puerto Rico with regard to the COVID-19 outbreak. This determination is made as part of the constitutional duty and pressing need of the Government of Puerto Rico and its instrumentalities to implement all measures that may be necessary to prevent and control the dissemination of COVID-19 on our island, to protect the life and safety of the population. Given the state of emergency arising from the COVID-19 outbreak, it is of essential importance to ensure the continuity of services provided by hospitals and laboratories that are the front line of response in this emergency.

In consideration of the executive order, and under the powers and authority granted by the provisions of Section 2.030 of Act No. 77, enacted on June 19, 1957, as amended, the Office of the Commissioner of Insurance (OCI), through this ruling letter establishes an expedited process for the payment of claims from hospitals and laboratories, to facilitate the availability of the financial resources that are necessary to defray their operations during the emergency. It is further provided, that with regard to claims from hospitals and laboratories, insurers and health services organizations that write health insurance in the private sector must follow these guidelines:

- a) Use electronic transmission to process claims;
- b) Process claims and pay all processable claims total within no more than fifteen (15) calendar days from the receipt of the claim. The following criteria will be applicable for this process:



1. If the insurer or health services organization does not notify any objection to a claim for payment within ten (10) days of receipt, it will be deemed that the claim is processable for payment;
 2. Objections to claims shall be made within ten (10) calendar days of the receipt of the claim and shall set forth in detail the specific reasons for which it is deemed that the claim is not processable for payment. Unfounded objections will not interrupt the term for payment of such claims;
 3. Objections must be answered by the hospital or laboratory within ten (10) calendar days of being notified or in a longer term at the request of the provider. Failure to respond will be deemed as an admission of the notified objections;
 4. In cases in which the insurer or health services organization objects to any service line item in the claim, payment must be processed for the portion of the claim that is not objected, within fifteen (15) calendar days of the receipt of the claim;
 5. When fifteen (15) days have elapsed from the receipt of the claim and no payment has been made for a claim that is processable for payment nor has a timely objection been made, the insurer or health services organization shall have the obligation to pay interest from the day after the expiration of such term. Interest will be calculated at the prevailing rate as set by the Commissioner of Financial Institutions.
- c) No pre-authorization will be required for providing medical, hospital, or laboratory services, even when such services have been provided by a hospital or laboratory that is not in the provider network of the insurer or health services organization;
 - d) If the medical, hospital, or laboratory services were provided by a non-participating provider, such services shall be subject to payment at a rate that is not lower than that negotiated with participating providers for such services.
 - e) It will not be necessary to exhaust the internal procedures of the insurer or health services organization in order for a hospital or laboratory to request the intervention of the OCI, in the event of non-compliance with terms and provisions of this ruling letter.

The provisions set forth in this Ruling Letter will enter into effect immediately upon the date of approval until such time as the state of emergency ends, unless otherwise provided and notified.

Strict compliance with the guidelines set forth herein is required. Failure to comply with these guidelines will entail the imposition of severe sanctions.

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Very truly yours,

s/ Mr. Rafael Cestero-Lopategui, Esq. CIC
Chief Deputy Commissioner of Insurance