

SENATE No.

The Commonwealth of Massachusetts

PRESENTED BY:

John F. Keenan

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act to prevent inappropriate denials by insurers for medically necessary services.

PETITION OF:

NAME:

John F. Keenan

DISTRICT/ADDRESS:

Norfolk and Plymouth

SENATE No.

[Pin Slip]

The Commonwealth of Massachusetts

In the One Hundred and Ninety-Fourth General Court
(2025-2026)

An Act to prevent inappropriate denials by insurers for medically necessary services.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1. Section 24B of chapter 175 of the General Laws, as appearing in the 2022
2 Official Edition, is hereby amended by inserting after the first paragraph the following four
3 paragraphs:

4 A carrier, as defined in section 1 of chapter 176O, shall be required to pay for health care
5 services ordered by the treating health care provider if (i) the services are a covered benefit under
6 the insured’s health benefit plan and (ii) the services follow the carrier’s clinical review criteria;
7 provided further, a claim for treatment of medically necessary services may not be denied if the
8 treating health care provider follows the carrier’s approved method for securing authorization for
9 a covered service for the insured at the time the service were provided.

10 A carrier shall not deny payment for a claim for medically necessary covered services on
11 the basis of an administrative or technical defect in the claim, except in the case where the carrier
12 has a reasonable basis supported by specific information available for review that the claim was
13 submitted fraudulently. A carrier shall have no more than twelve months after the original

14 payment was received by the provider to recoup a full or partial payment for a claim for services
15 rendered, or to adjust a subsequent payment to reflect a recoupment of a full or partial payment;
16 provided however, a carrier shall not recoup payments more than ninety days after the original
17 payment was received by a provider for services provided to an insured that the carrier deems
18 ineligible for coverage because the insured was retroactively terminated or retroactively
19 disenrolled for services; provided further, that the provider can document that it received
20 verification of an insured's eligibility status using the carrier's approved method for verifying
21 eligibility at the time service was provided. Claims may also not be recouped for utilization
22 review purposes if the services were already deemed medically necessary or the manner in which
23 the services were accessed or provided were previously approved by the carrier or its contractor.

24 A carrier that seeks to make an adjustment pursuant to this section shall provide the
25 health care provider with written notice that explains in detail the reasons for the recoupment,
26 identifies each previously paid claim for which a recoupment is sought and provides the health
27 care provider with thirty days to challenge the request for recoupment. Such written notice shall
28 be made to the health provider not less than thirty days prior to the seeking of a recoupment or
29 the making of an adjustment.

30 If a claim is denied because the provider, due to an unintentional act of error or omission,
31 obtained no authorizations or only a partial authorization, the provider may appeal the denial and
32 the carrier must conduct and complete within thirty days of the provider's submitted appeal a
33 retrospective review of the medical necessity of the service. If the carrier determines that the
34 service is medically necessary, the carrier must reverse the denial and pay the claim. If the carrier
35 determines that the service does not meet its clinical review criteria, the carrier shall provide the

36 provider with specific written clinical justification for the determination and a process for
37 appealing the determination.

38 SECTION 2. The commissioner of insurance shall promulgate regulations to enforce the
39 provisions of this act no later than 90 days after the effective date, which shall be effective for
40 provider contracts that are entered into, renewed or amended on or after the effective date of said
41 regulations.