**A** **BILL**

TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING SECTION 38‑71‑345 SO AS TO PROVIDE THAT LICENSED INSURERS WHO ALLOW BENEFITS TO BE PAID DIRECTLY TO PARTICIPATING OR PREFERRED HEALTH CARE SERVICE PROVIDERS SHALL ALLOW A PAYMENT TO A SIMILARLY LICENSED NONPARTICIPATING OR NONPREFERRED HEALTH CARE SERVICE PROVIDER.

Be it enacted by the General Assembly of the State of South Carolina:

SECTION 1. Subarticle 1, Article 3, Chapter 71, Title 38 of the 1976 Code is amended by adding:

“Section 38-71‑345. (A) A licensed accident or health insurer who provides that benefits are payable directly to a participating or preferred health care services provider shall pay the benefits directly to any similarly licensed nonparticipating or nonpreferred health care services provider who has rendered such services, possesses a written assignment of benefits, and has given written notice of the assignment of benefits to the licensed accident and health insurer and the insured. When payment is made directly to the health care services provider as authorized in this section, the licensed accident and health insurer shall give written notice of such payment to the insured.

(B) The provisions of this section do not prohibit the payment of different levels of benefits or the application of different levels in coinsurance percentages to benefit levels for health care services provided by participating or preferred providers and nonparticipating or nonpreferred providers.

(C) Payments made by a licensed accident and health insurer to a nonparticipating or nonpreferred health care services provider discharge the insured’s obligation with respect to the amount paid.

(D) For purposes of this section, ‘licensed accident and health insurer’ includes a third party administrator who administers a health or accident plan offered by the South Carolina Public Employee Benefit Authority.”

SECTION 2. This act takes effect upon approval by the Governor.

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