

By: Representative Ellington

To: Insurance

HOUSE BILL NO. 627

1 AN ACT TO PROVIDE THAT IF AN INSURED PAYS A BILL THAT IS
2 COVERED BY INSURANCE AND THE INSURER ALSO PAYS SUCH BILL, THE
3 COMPANY OR PROVIDER WHO RECEIVES PAYMENT FROM BOTH THE INSURED AND
4 THE INSURER MUST REIMBURSE THE INSURED ON A TIMELY BASIS; AND FOR
5 RELATED PURPOSES.

6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

7 **SECTION 1.** If an insured pays a bill that is covered by
8 insurance and the insurer also pays such bill, the company or
9 provider who receives payment from both the insured and the
10 insurer must reimburse the insured within thirty (30) days of
11 receipt of payment by the insurer. Failure of the company or
12 provider to reimburse the insured in a timely manner shall subject
13 the company or provider to a civil fine of Five Thousand Dollars
14 (\$5,000.00) per violation.

15 **SECTION 2.** This act shall take effect and be in force from
16 and after July 1, 2002.

