



COUNTY ADVISORY BULLETIN

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INMATE MEDICAL INSURANCE COVERAGE (AMENDED SENATE BILL 163)

INTRODUCTION

Am. S.B. 163, effective October 16, 1996 was sponsored by former Trumbull County Commissioner and CCAO Past President Tony Latell. Am SB. 163 permits counties and municipalities to seek reimbursement, from a health insurance company, for health care expenses incurred by a person in confinement at a local correctional facility. All expenses recovered from the third-party payer would be directly deposited to the treasury of the local government where the incarcerated person was housed at the time of the treatment. Currently, the local government that operates the facility is liable to pay all health care related costs sustained by a person in confinement.

COLLECTION/PAYMENT PROCESS:

Am. S.B. 163, in ORC sections 307.931, 341.191, 341.24, 753.161, 2301.57 and 2947.20, requires that the local government entity determine, for each person they confine in a local detention facility, whether that person is covered under a health care insurance policy. If it is determined that the individual is covered, the local government entity must determine what terms and conditions are imposed by the coverage for the filing and payment of claims. County commissioners should consult with the sheriff to see that the sheriff's intake and other jail procedures comply with the requirements of S.B. 163.

Counties, when determining whether an inmate has medical insurance, will in most cases need to modify intake procedures and forms. If the county intends to seek cost recovery from an inmate's insurance company, the following questions should be addressed prior to admission or to seeking treatment:

- * *What is the name of the insurance company?*
- * *Should the inmate be required to submit a copy of the insurance card?*

- * *Is the coverage an HMO or PPO plan?*
- * *What are the provider limitations?*
- * *Are there prior authorization requirements?*
- * *When medical care is required, should the primary physician be contacted first for approval of the procedure?*
- * *Does the policy restrict from what physicians or hospitals the inmate can receive medical care?*
- * *What are the billing requirements of the policy?*

When the correctional facility arranges medical care for an inmate with health coverage following the terms and conditions of the health contract, then the person, the governmental entity or the provider of the health care service must promptly submit a claim for the health care services to the appropriate third party payer and designate that the payment of any amount due on the claim is made to the applicable governmental entity or the provider. All payments to the governmental entity will be paid directly into the treasury of the governmental entity that incurred the costs.

Am. S.B. 163 also states in section 3924.53 (B) that a health insurer cannot limit or exclude coverage to a person because that person is confined under the custody of a local government entity or law enforcement officer. However, in section 3924.53 (C), a benefits contract may limit or exclude coverage for health care services when an injury or sickness to an inmate resulted from an action or omission for which the governmental entity operating the correctional facility or law enforcement officer is liable.

AFFECTED LOCAL GOVERNMENTAL ENTITIES AND FACILITIES:

- 1) County or municipality that enters a contract for the joint establishment of a multi-county, municipal-county or multi-county-municipal correctional center;
- 2) County in relation to persons confined in county jail;
- 3) County, joint city and county workhouse or county workhouse district or municipality in relation to persons confined in workhouses
- 4) Municipality or township in relation to persons confined in a workhouse whose expenses the municipality or township pays;
- 5) Municipality in relation to persons confined in its prison or station house or confined in a county jail and whose expenses it pays;

- 6) County, municipality or district in relation to persons confined in the city or district workhouse;
- 7) County in relation to persons confined in a community based correctional facility or district community bases correctional facility;
- 8) County or municipality in relation to persons confined in a city workhouse.

The law will also apply to persons in the custody of law enforcement officers before their confinement in any of the above facilities.