



COMMONWEALTH OF PUERTO RICO
OFFICE OF THE COMMISSIONER OF INSURANCE

Fermín M. Contreras Gómez
Commissioner of Insurance

January 23, 2003

RULING NO.: N-L-1-19-2003

TO ALL DISABILITY INSURERS AND TO ALL HEALTH MAINTENANCE ORGANIZATIONS

Re: Billing of charges, in addition to deductible or co-insurance, to cover administrative costs incurred by healthcare services providers

Dear ladies and Gentleman:

The Office of the Commissioner of Insurance has received information that some healthcare services providers are engaging in the practice of charging their patients an amount of money in addition to the deductible or co-insurance established by the insurer or health maintenance organization in the contracts or evidence of coverage issued to their insured and subscribers. The billing of said additional charges has the alleged purpose of covering the administrative costs of the providers.

The above-mentioned practice is contrary to the provisions of Chapter 27 of the Puerto Rico Insurance Code. Article 27.160(1) of the Puerto Rico Insurance Code, 26 P.R. Laws Ann. Sec. 2716(1), establishes said prohibition when it states that:

“(1) No **person** shall willfully collect any sum as premium or charge for insurance, which insurance is not then provided or is not in due course to be provided (subject to acceptance of the risk by the insurer) by an insurance policy issued by an insurer as authorized by this title.” (Emphasis supplied)

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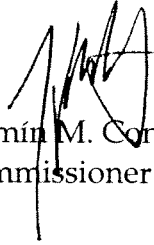
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In view of the above, all disability insurers and health maintenance organizations must identify which of their providers are incurring in said practice and take the necessary measures to avoid the billing to their insured and subscribers of charges in excess of the amount established in the contracts or evidence of coverage. We are confident that the practice described herein will be discontinued immediately.

Strict compliance with the above directive is required.

Cordially,

A handwritten signature in black ink, appearing to be 'F. M. Contreras Gómez', written over the printed name.

Fermín M. Contreras Gómez
Commissioner of Insurance