

TMA Alerts Physicians of Checks Binding Physician to Insurance Network Payments

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Physicians should be aware of a practice by TRPN DirectPay whereby the out-of-state contracting entity sends checks that may be mistaken as an insurance payment, but instead attempt to have physician practices agree to a binding network participation agreement.

The Texas Medical Association recently learned of a Corpus Christi physician who received a \$15 check from TRPN DirectPay. There have been multiple complaints about the contracting entity, including on the Better Business Bureau website.

According to the “Provider Settlement/Participation Agreement” (PSPA) that comes with the check, “[e]ndorsement of the attached check shall serve as acceptance of payment for network participation and for all services provided to our membership AND as an authorized signature for the contract below. In return for network participation, TRPN DirectPay shall pay provider a licensing fee of 15 dollars.”

TMA cautions physicians and practice staff to read the fine print before signing any unsolicited check.

In a letter to the Texas Department of Insurance, TMA says the agreement does not appear to be consistent with Texas Insurance Code requirements, specifically a chapter that requires a contracting entity to obtain a physician or practice’s “express authority” in order to share payment or reimbursement information.

According to TMA’s letter, Chapter 1458 says “[e]xpress authority’ means a provider’s consent that is obtained through separate signature lines for each line of business.”

However, TRPN’s Provider Settlement/Participation Agreement “does not contain any such signature lines (as it purports to establish a physician’s agreement to PSPA by the endorsement of the enclosed check). As such, the PSPA does not seem capable of satisfying Chapter 1458’s requirement for express authorization,” TMA wrote.

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