

By the Committee on Banking and Insurance and Senators  
Campbell and Forman

311-2038A-98

1                                   A bill to be entitled  
2           An act relating to health maintenance  
3           organizations; creating s. 641.3155, F.S.;  
4           prescribing time for paying claims for services  
5           or goods by a provider; providing procedures  
6           for denying or contesting a claim; providing  
7           time limitations; providing notice; providing  
8           method for making payments, denying or  
9           contesting a claim, and providing notice;  
10          providing interest on overdue payment of claim;  
11          providing for a waiver of a health maintenance  
12          organization's rights under a provider contract  
13          and consequences for failure of an organization  
14          to comply with the provisions of the act;  
15          providing an effective date.

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17 Be It Enacted by the Legislature of the State of Florida:

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19           Section 1. Section 641.3155, Florida Statutes, is  
20 created to read:

21           641.3155 Provider contracts; payment of claims.--  
22           (1)(a) A health maintenance organization shall pay any  
23 claim or any portion of a claim made by a contract provider  
24 for services or goods provided under a contract with the  
25 health maintenance organization which the organization does  
26 not contest or deny within 35 days after receipt of the claim  
27 by the health maintenance organization which is mailed or  
28 electronically transferred by the provider.

29           (b) A health maintenance organization that denies or  
30 contests a provider's claim shall notify the contract  
31 provider, in writing, within 35 days after receipt of the

1 claim by the health maintenance organization that the claim is  
2 contested or denied. The notice that the claim is denied or  
3 contested must identify the contested portion of the claim and  
4 the specific reason for contesting or denying the claim, and  
5 may include a request for additional information. If the  
6 health maintenance organization requests additional  
7 information, the provider shall, within 35 days after receipt  
8 of such request, mail or electronically transfer the  
9 information to the health maintenance organization. The health  
10 maintenance organization shall pay or deny the claim or  
11 portion of the claim within 45 days after receipt of the  
12 information.

13 (2) Payment of a claim is considered made on the date  
14 the payment was received or electronically transferred or  
15 otherwise delivered. An overdue payment of a claim bears  
16 simple interest at the rate of 10 percent per year.

17 (3) A health maintenance organization shall pay or  
18 deny any claim no later than 120 days after receiving the  
19 claim.

20 Section 2. This act shall take effect October 1, 1998.  
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STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN  
COMMITTEE SUBSTITUTE FOR  
Senate Bill 1584

The bill requires a health maintenance organization to reimburse all claims or any portion of any claim made by a provider for services or goods provided under contract with the health maintenance organization which the health maintenance organization does not contest or deny within 35 days after receipt of the claim by the health maintenance organization.

If the health maintenance organization requests additional information, the provider must submit the information within 35 days of receipt of such request. Upon receipt of the additional information, the health maintenance organization must pay or deny the contested claim or portion of the contested claim within 45 days after receipt of the information.

In any event, the health maintenance organization must pay or deny any claim no later than 120 days after receiving the claim.