

By Senator Bennett

21-716-04

1 A bill to be entitled
2 An act relating to the prompt payment of
3 medical claims; amending s. 627.613, F.S.;
4 revising the interest rate on overdue payments
5 owed by insurers; amending s. 627.6131, F.S.;
6 providing that an insured, a provider or
7 provider's representative, or a health insurer
8 may initiate legal action to enforce the
9 payment of a claim by an insurer; amending s.
10 641.3155, F.S.; revising the interest rate on
11 overdue payments owed by health maintenance
12 organizations; providing that a subscriber, a
13 provider or provider's representative, or the
14 health maintenance organization may initiate
15 legal action to enforce the payment of a claim
16 by a health maintenance organization; providing
17 an effective date.

18

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

20

21 Section 1. Subsection (6) of section 627.613, Florida
22 Statutes, is amended to read:

23 627.613 Time of payment of claims.--

24 (6) All overdue payments shall bear simple interest at
25 the maximum annual rate allowable by law of ~~10 percent per~~
26 ~~year.~~27 Section 2. Subsection (18) is added to section
28 627.6131, Florida Statutes, to read:

29 627.6131 Payment of claims.--

30 (18) An insured, a provider or any representative of
31 the provider, whether or not the provider is under contract

1 with the health insurer, or the insurer may bring suit in the
2 courts of this state to enforce this section.

3 Section 3. Subsection (6) of section 641.3155, Florida
4 Statutes, is amended, and subsection (16) is added to that
5 section, to read:

6 641.3155 Prompt payment of claims.--

7 (6) Payment of a claim is considered made on the date
8 the payment was mailed or electronically transferred. An
9 overdue payment of a claim bears simple interest at the
10 maximum annual rate allowable by law of 12 percent per year.
11 Interest on an overdue payment for a claim or for any portion
12 of a claim begins to accrue when the claim should have been
13 paid, denied, or contested. The interest is payable with the
14 payment of the claim.

15 (16) A subscriber, a provider or any representative of
16 the provider, regardless of whether the provider is under
17 contract with the health insurer, or the health maintenance
18 organization may bring suit in the courts of this state to
19 enforce this section.

20 Section 4. This act shall take effect July 1, 2004.

21
22 *****

23 SENATE SUMMARY

24 Provides that the interest rate on overdue payments owed
25 for medical claims by insurers or by health maintenance
26 organizations is to be the maximum annual rate allowable
27 under the law. Provides that an insured, a provider or
28 provider's representative, or a health insurer may
29 initiate legal action to enforce s. 627.6131, F.S.,
30 relating to the prompt payment of claims by health
31 insurers. Provides that a subscriber, a provider or
32 provider's representative, or the health maintenance
33 organization may initiate legal action to enforce s.
34 641.3155, F.S., relating to the prompt payment of claims
35 by health maintenance organizations.