

CHAPTER 98-79

Committee Substitute for Senate Bill No. 1584

An act relating to health maintenance organizations; creating s. 641.3155, F.S.; prescribing time for paying claims for services or goods by a provider; providing procedures for denying or contesting a claim; providing time limitations; providing notice; providing method for making payments, denying or contesting a claim, and providing notice; providing interest on overdue payment of claim; providing for a waiver of a health maintenance organization's rights under a provider contract and consequences for failure of an organization to comply with the provisions of the act; providing an effective date.

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

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

641.3155 Provider contracts; payment of claims.—

(1)(a) A health maintenance organization shall pay any claim or any portion of a claim made by a contract provider for services or goods provided under a contract with the health maintenance organization which the organization does not contest or deny within 35 days after receipt of the claim by the health maintenance organization which is mailed or electronically transferred by the provider.

(b) A health maintenance organization that denies or contests a provider's claim shall notify the contract provider, in writing, within 35 days after receipt of the claim by the health maintenance organization that the claim is contested or denied. The notice that the claim is denied or contested must identify the contested portion of the claim and the specific reason for contesting or denying the claim, and may include a request for additional information. If the health maintenance organization requests additional information, the provider shall, within 35 days after receipt of such request, mail or electronically transfer the information to the health maintenance organization. The health maintenance organization shall pay or deny the claim or portion of the claim within 45 days after receipt of the information.

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

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

Section 2. This act shall take effect October 1, 1998.

Approved by the Governor May 21, 1998.

Filed in Office Secretary of State May 21, 1998.