

Senate File 342 - Introduced

SENATE FILE 342

BY CHELGREN

A BILL FOR

1 An Act relating to an interest penalty imposed on unpaid

2 Medicaid managed care claims.

3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. MEDICAID MANAGED CARE — UNPAID CLEAN CLAIMS —
2 INTEREST PENALTY. The department of human services shall adopt
3 rules pursuant to chapter 17A and shall amend Medicaid managed
4 care contracts to require that a managed care organization pay
5 an interest penalty of one and one-half percent of the claim
6 amount to the person submitting the claim for any clean claim
7 not paid within sixty days of timely filing. For the purposes
8 of this section, "clean claim" means a claim for which all
9 information required for processing the claim is available.

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EXPLANATION

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The inclusion of this explanation does not constitute agreement with
the explanation's substance by the members of the general assembly.

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This bill requires the department of human services
(DHS) to adopt rules pursuant to Code chapter 17A and amend
Medicaid managed care contracts to require that a managed
care organization pay an interest penalty of 1.5 percent of
the claim amount to the person submitting the claim for any
clean claim not paid within 60 days of timely filing. The bill
defines "clean claim" as a claim for which all information
required for processing the claim is available.