

Senate File 477 - Introduced

SENATE FILE 477
BY COMMITTEE ON HUMAN
RESOURCES

(SUCCESSOR TO SF 342)

A BILL FOR

- 1 An Act relating to Medicaid managed care claims.
- 2 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. MEDICAID MANAGED CARE — UNPAID CLEAN CLAIMS —
2 INTEREST PENALTY — TIMELY FILING OF CLAIMS. The department of
3 human services shall adopt rules pursuant to chapter 17A and
4 shall amend Medicaid managed care contracts to require all of
5 the following:

6 1. That a managed care organization pay an interest penalty
7 of one and one-half percent of the claim amount or unpaid
8 portion of the claim amount to the person submitting the claim
9 for any clean claim not paid within ninety days of timely
10 filing. The acceptance of an underpayment by the person
11 filing the claim does not constitute payment in full. For the
12 purposes of this section, "clean claim" means a claim for which
13 all information required for submitting the claim is available.

14 2. That a managed care organization allow Medicaid
15 providers a timely filing period of three hundred sixty-five
16 days from the date of service for submission of claims. The
17 rules and contract amendments shall also provide that a
18 claim may be resubmitted or adjusted if such action is taken
19 within three hundred sixty-five days from the date of the last
20 adjudication.

21

EXPLANATION

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

24 This bill requires the department of human services (DHS)
25 to adopt rules pursuant to Code chapter 17A and amend Medicaid
26 managed care contracts to require all of the following:

27 1. That a managed care organization pay an interest penalty
28 of 1.5 percent of the claim amount or unpaid portion of the
29 claim amount to the person submitting the claim for any clean
30 claim not paid within 90 days of timely filing. The acceptance
31 of an underpayment by the person filing the claim does not
32 constitute payment in full. The bill defines "clean claim" as
33 a claim for which all information required for submitting the
34 claim is available.

35 2. That a managed care organization allow Medicaid

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1 providers 365 days from the date of service to submit a claim
2 and also provide that a claim may be resubmitted or adjusted if
3 action is taken within 365 days of the last adjudication.