STATE OF NEW YORK

2864--A

2019-2020 Regular Sessions

IN ASSEMBLY

January 28, 2019

Introduced by M. of A. ABINANTI -- read once and referred to the Committee on Health -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the public health law, in relation to payment of claims submitted by healthcare agencies

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Section 1. Section 3621 of the public health law, as added by section 57-a of part A of chapter 56 of the laws of 2013, is amended to read as follows:

§ 3621. Payment of claims. **1.** Notwithstanding any law to the contrary, the provisions of section thirty-two hundred twenty-four-a of the insurance law, and regulations thereunder, shall apply to claims for payment submitted by a licensed home care services agency, certified home health agency, long term home health care program, or fiscal intermediary operating under section three hundred sixty-five-f of the social services law, pursuant to a contract with a payor under section forty-four hundred three-f of this chapter or section three hundred sixty-four-j of the social services law, and such claims shall be subject to and settled in compliance with the standards set forth in such section.

2. The payor shall pay a clean claim (a) within thirty days of receipt of a claim that is transmitted via the internet or electronic mail, or (b) within forty-five days of receipt of a claim that is submitted by other means, such as paper or facsimile.

3. The payor shall pay any undisputed portion of a claim as a clean claim as set forth in subdivision two of this section. The payor shall notify a provider under this article in writing within fifteen calendar days of the receipt of an initial claim of all specific defects or disputes of such claim and specifically request in writing the additional information or remedy needed to process any disputed portions of the claim. No further defect or dispute of the claim may be asserted by

EXPLANATION--Matter in *italics* (underscored) is new; matter in brackets [-] is old law to be omitted.

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the payor, unless it is asserted on the basis of new information relating to the claim that the payor did not know and could not reasonably have known prior to the notification.

4. Any disputed claim remedied shall be paid as a clean claim under subdivision two of this section.

5. For the purposes of this section, a "clean claim" means a claim for payment for services under this article for which the payor is obligated to provide payment and that shall:

(a) identify the licensed home care services program, certified home health agency, long term home health care program or fiscal intermediary operating pursuant to section three hundred sixty-five-f of the social services law;

(b) sufficiently identify the eligible covered person, the nature of the services and list the date and place of service;

(c) substantiate the appropriateness of the service provided;

(d) if prior authorization is required for such eligible covered person and service, state that such prior authorization was obtained; and

(e) include any documentation as reasonably required by any entity referenced in this section.

6. Each clean claim or payment for services processed in violation of this section shall constitute a separate violation. In addition to the penalties provided in this chapter, any organization or corporation that fails to adhere to the standards contained in this section shall be obligated to pay to certified home health agencies, long term home health care programs, licensed home health care programs or fiscal intermediaries operating pursuant to section three hundred sixty-five-f of the social services law in full settlement of the bill, claim or payment plus interest on the amount of such bill, claim or payment of the greater of the rate equal to the rate set by the commissioner of taxation and finance for corporate taxes pursuant to paragraph one of subsection (e) of section one thousand ninety-six of the tax law or twelve percent per annum, to be computed from the date the bill, claim or payment was required to be made.

§ 2. This act shall take effect immediately.