

# STATE OF NEW YORK

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5646

2019-2020 Regular Sessions

## IN SENATE

May 9, 2019

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Introduced by Sen. RIVERA -- read twice and ordered printed, and when printed to be committed to the Committee on Health

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:

1 Section 1. Section 3621 of the public health law, as added by section  
2 57-a of part A of chapter 56 of the laws of 2013, is amended to read as  
3 follows:

4 § 3621. Payment of claims. 1. Notwithstanding any law to the contrary,  
5 the provisions of section thirty-two hundred twenty-four-a of the insur-  
6 ance law, and regulations thereunder, shall apply to claims for payment  
7 submitted by a licensed home care services agency, certified home health  
8 agency, long term home health care program, or fiscal intermediary oper-  
9 ating under section three hundred sixty-five-f of the social services  
10 law, pursuant to a contract with a payor under section forty-four  
11 hundred three-f of this chapter or section three hundred sixty-four-j of  
12 the social services law, and such claims shall be subject to and settled  
13 in compliance with the standards set forth in such section.

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

18 3. The payor shall pay any undisputed portion of a claim as a clean  
19 claim as set forth in subdivision two of this section. The payor shall  
20 notify a provider under this article in writing within fifteen calendar  
21 days of the receipt of an initial claim of all specific defects or  
22 disputes of such claim and specifically request in writing the addi-  
23 tional information or remedy needed to process any disputed portions of  
24 the claim. No further defect or dispute of the claim may be asserted by  
25 the payor, unless it is asserted on the basis of new information relat-

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

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1 ing to the claim that the payor did not know and could not reasonably  
2 have known prior to the notification.

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

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

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

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

14 (c) substantiate the appropriateness of the service provided;

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

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

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

34 § 2. This act shall take effect immediately.