

PROMPT PAYMENT INSURANCE LAWS



- Central**
- Mid Atlantic**
- Mid South**
- Mid West**
- North East**
- Pacific West**
- South East**
- West**



PROMPT PAYMENT INSURANCE LAWS

CENTRAL REGION

COLORADO

- PAPER CLAIMS DEADLINE: 45 calendar days from the receipt of claim
- ELECTRONIC CLAIMS DEADLINE: 30 calendar days from the receipt of claim
- INTEREST: For clean claims, 10% per annum, accruing as of the payment deadline. Absent fraud, interest @ 3% per annum shall be payable on all other claims which remain unpaid for 90 days. The interest period shall commence from 91st day of the receipt of claim by the carrier.

KANSAS

- PAPER CLAIMS DEADLINE: 30 days from the receipt of claim
- ELECTRONIC CLAIMS DEADLINE: 30 days from the receipt of claim
- INTEREST: 1% per month accruing from the payment deadline date. The interest shall be included in the late reimbursement without the need for an additional claim in respect of such interest.

NEBRASKA

- PAPER CLAIMS DEADLINE: 45 days from the receipt of claim
- ELECTRONIC CLAIMS DEADLINE: 30 days from the receipt of claim
- INTEREST: 12% per annum, accruing as of the payment deadline. Where the interest is not paid with the claim, it may either be paid quarterly or when the aggregate interest amount exceeds \$10.00.

NORTH DAKOTA

- PAPER CLAIMS DEADLINE: 15 days from the receipt of claim
- ELECTRONIC CLAIMS DEADLINE: 15 days from the receipt of claim
- INTEREST: No interest shall be payable on the payments made beyond the prescribed deadlines.



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OKLAHOMA

- PAPER CLAIMS DEADLINE: 45 days from the receipt of claim
- ELECTRONIC CLAIMS DEADLINE: 45 days from the receipt of claim
- INTEREST: 10% per annum, accruing as of the payment deadline.

SOUTH DAKOTA

- PAPER CLAIMS DEADLINE: 45 days from the receipt of claim
- ELECTRONIC CLAIMS DEADLINE: 30 days from the receipt of claim
- INTEREST: No interest is payable on late reimbursements.

TEXAS

- PAPER CLAIMS DEADLINE: 45 days from the receipt of claim
- ELECTRONIC CLAIMS DEADLINE: 30 days from the receipt of claim
- PENALTY/INTEREST: Where the claim is paid between 1 to 45 days after the payment deadline, a penalty equal to 50% of the difference between the claim amount and the contracted rate; Between 46 to 90 days, 100% of the difference between the claim amount and the contracted rate; Where the claim is paid beyond 90 days of the payment deadline, 100% of the difference between the claim amount and the contracted rate plus interest @18% per annum on such penalty. Interest in this case shall accrue from the payment deadline.



PROMPT PAYMENT INSURANCE LAWS

MID-ATLANTIC REGION

DELAWARE

- PAPER CLAIMS DEADLINE: 30 days from the receipt of claim
- ELECTRONIC CLAIMS DEADLINE: 30 days from receipt of claim
- INTEREST: The Commissioner may order a carrier who fails to pay a clean claim within the stipulated timeline to pay to a provider or policyholder the amount of a claim or bill plus interest at the maximum rate allowable to lenders under Delaware law. Such interest shall be computed from the date the claim or bill for services was first required to be paid.

DIST. OF COLUMBIA

- PAPER CLAIMS DEADLINE: 30 days from the receipt of claim
- ELECTRONIC CLAIMS DEADLINE: 30 days from the receipt of claim
- INTEREST: 1.5% per month from 30- 60 days, 2% per month from 61-120 days and 2.5% per month after 120 days, accruing as of the payment deadline. No formal claim for the payment of interest shall be required.

MARYLAND

- PAPER CLAIMS DEADLINE: 30 days from the receipt of claim
- ELECTRONIC CLAIMS DEADLINE: 30 days from the receipt of claim
- INTEREST: 1.5% per month from 31-60 days, 2% from 61-120 days and 2.5% after 120 days. Interest shall be automatically included in the overdue claim payment.

NEW JERSEY

- PAPER CLAIMS DEADLINE: 40 days from the receipt of claim
- ELECTRONIC CLAIMS DEADLINE: 30 days from the receipt of claim
- INTEREST: Simple interest @12 % per annum accruing as of the payment deadline. Interest shall be payable at the time of making overdue claim payment.



PROMPT PAYMENT INSURANCE LAWS

PENNSYLVANIA

- PAPER CLAIMS DEADLINE: 45 days from the receipt of claim
- ELECTRONIC CLAIMS DEADLINE: 45 days from the receipt of claim
- INTEREST: 10% per annum, accruing as of the payment deadline. Interest shall automatically be added to the unpaid claim amount and paid along with the claim. Interest less than \$2 need not be paid.

VIRGINIA

- PAPER CLAIMS DEADLINE: 40 days from the receipt of claim
- ELECTRONIC CLAIMS DEADLINE: 40 days from the receipt of claim
- INTEREST: Legal rate of interest (6% per annum) shall be payable on late payments. Interest shall be computed from thirty calendar days after the receipt of claim to the date of payment of the claim. Interest shall either be paid with the claim or within 60 days thereafter.

WEST VIRGINIA

- PAPER CLAIMS DEADLINE: 40 days from the receipt of claim
- ELECTRONIC CLAIMS DEADLINE: 30 days from the receipt of claim
- INTEREST: 10% per annum, accruing as of the payment deadline. Interest may either be included in the overdue payment or paid within thirty days thereafter.



PROMPT PAYMENT INSURANCE LAWS

MID-SOUTH REGION

ARKANSAS

- PAPER CLAIMS DEADLINE: 45 days from the receipt of claim
- ELECTRONIC CLAIMS DEADLINE: 30 days from the receipt of claim
- PENALTY/INTEREST: Where a health carrier fails to pay a clean claim within the stipulated timeline, it shall pay the penalty calculated as follows: the amount of clean claim payment times 12% per annum times the number of days in the delinquent payment period, divided by 365. Such penalty should be paid along with the overdue claim amount.

KENTUCKY

- PAPER CLAIMS DEADLINE: 30 days from the receipt of claim
- ELECTRONIC CLAIMS DEADLINE: 30 days from the receipt of claim
- INTEREST: 12% per annum for 1-30 days, 18% for 31-60 days and 21% for 60 days or above. The applicable interest shall be included in the late reimbursement and no separate claim for the interest payment shall be required.

LOUISIANA

- PAPER CLAIMS DEADLINE: 45 days from the receipt of claim
- ELECTRONIC CLAIMS DEADLINE: 25 days from the receipt of claim
- INTEREST: 1% of the amount due at the time the claim is paid. For any period greater than 25 days following the payment deadline, an additional adjustment of 1% of the unpaid balance due for each month or partial month shall be payable.

MISSISSIPPI

- PAPER CLAIMS DEADLINE: 35 days from the receipt of claim
- ELECTRONIC CLAIMS DEADLINE: 25 days from the receipt of claim
- INTEREST: 1.5% per month, accruing as of the payment deadline.



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MISSOURI

- PAPER CLAIMS DEADLINE: 45 days from the receipt of claim
- ELECTRONIC CLAIMS DEADLINE: 45 days from the receipt of claim
- INTEREST: 1% per month if claim is not paid on or before the 45th day from the date of receipt. The interest shall be payable with the late reimbursement. The interest may be combined and paid when the aggregate amount comes to \$5.

TENNESSEE

- PAPER CLAIMS DEADLINE: 30 days from the receipt of claim
- ELECTRONIC CLAIMS DEADLINE: 21 days from the receipt of claim
- INTEREST: 1% per month, accruing as of the payment deadline.



PROMPT PAYMENT INSURANCE LAWS

MID-WEST REGION

ILLINOIS

- PAPER CLAIMS DEADLINE: 30 days from the receipt of claim
- ELECTRONIC CLAIMS DEADLINE: 30 days from the receipt of claim
- INTEREST: 9% per annum accruing from the 31st day after the receipt of claim until the date of late payment. Interest payments must be made within 30 days of the late payment. Interest less than \$1 need not be paid.

IOWA

- PAPER CLAIMS DEADLINE: 30 days from the receipt of claim
- ELECTRONIC CLAIMS DEADLINE: 30 days from the receipt of claim
- INTEREST: 10% per annum which shall accrue from the payment deadline. The interest amount shall be automatically added to the amount of the unpaid claim.

MINNESOTA

- PAPER CLAIMS DEADLINE: 30 days from the receipt of claim
- ELECTRONIC CLAIMS DEADLINE: 30 days from the receipt of claim
- INTEREST: 1.5% per month, accruing as of the payment deadline. The interest can either be paid with the claim or separately. However, no separate claim shall be required for the payment of interest amount.

MICHIGAN

- PAPER CLAIMS DEADLINE: 45 days from the receipt of claim
- ELECTRONIC CLAIMS DEADLINE: 45 days from the receipt of claim
- INTEREST: Simple interest @12% per annum shall accrue after 60 days of the receipt of claim. Interest shall be added to the payment of overdue claim amount.



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INDIANA

- PAPER CLAIMS DEADLINE: 45 days from the receipt of claim
- ELECTRONIC CLAIMS DEADLINE: 30 days from the receipt of claim
- INTEREST: Shall be payable in accordance with IC 12-15-21-3(7)(A).

OHIO

- PAPER CLAIMS DEADLINE: 30 days from the receipt of claim
- ELECTRONIC CLAIMS DEADLINE: 30 days from the receipt of claim
- INTEREST: 18% per annum, accruing as of the payment deadline. Interest shall be payable along with the overdue claim payment.

WISCONSIN

- PAPER CLAIMS DEADLINE: 30 days from the receipt of claim
- ELECTRONIC CLAIMS DEADLINE: 30 days from the receipt of claim
- INTEREST: Simple interest @12% per annum, accruing as of the payment deadline.



PROMPT PAYMENT INSURANCE LAWS

NORTH-EAST REGION

CONNECTICUT

- PAPER CLAIMS DEADLINE: 45 days from the receipt of claim
- ELECTRONIC CLAIMS DEADLINE: 45 days from the receipt of claim
- INTEREST: The overdue claim amount shall include interest at the rate of 15% per annum in addition to other penalties, accruing as of the payment deadline. (Note: Whenever the interest due a health care provider pursuant to this section is less than \$1, the insurer shall deposit such amount in a separate interest-bearing account in which all such amounts shall be deposited. At the end of each calendar year each such insurer shall donate such amount to The University of Connecticut Health Center.

MAINE

- PAPER CLAIMS DEADLINE: 30 days from the receipt of claim
- ELECTRONIC CLAIMS DEADLINE: 30 days from the receipt of claim
- INTEREST: 1.5 % per month, accruing as of the payment deadline.

MASSACHUSETTS

- PAPER CLAIMS DEADLINE: 45 days from the receipt of claim
- ELECTRONIC CLAIMS DEADLINE: 45 days from the receipt of claim
- INTEREST: 1.5% per month accruing as of the payment deadline. In no case interest shall exceed 18% per annum.

NEW HAMPSHIRE

- PAPER CLAIMS DEADLINE: 30 days from the receipt of claim
- ELECTRONIC CLAIMS DEADLINE: 15 days from the receipt of claim
- INTEREST: 1.5% per month, accruing as of the payment deadline.



PROMPT PAYMENT INSURANCE LAWS

NEW YORK

- PAPER CLAIMS DEADLINE: 45 days from the receipt of claim
- ELECTRONIC CLAIMS DEADLINE: 45 days from the receipt of claim
- INTEREST: 12% per annum or the rate fixed by the Commissioner of Taxation pursuant to the New York Tax Law. Interest shall accrue as of the payment deadline. Interest shall not be payable where it is less than \$2.

RHODE ISLAND

- PAPER CLAIMS DEADLINE: 40 days from the receipt of claim
- ELECTRONIC CLAIMS DEADLINE: 30 days from the receipt of claim
- INTEREST: 12% per annum, accruing as of the payment deadline.

VERMONT

- PAPER CLAIMS DEADLINE: 30 days from the receipt of claim
- ELECTRONIC CLAIMS DEADLINE: 30 days from the receipt of claim
- INTEREST: 12 % per annum, accruing as of the payment deadline.

PROMPT PAYMENT INSURANCE LAWS

PACIFIC-WEST REGION

ALASKA

- PAPER CLAIMS DEADLINE: 30 days from the receipt of claim
- ELECTRONIC CLAIMS DEADLINE: 30 days from the receipt of claim
- INTEREST: The Interest shall be charged at a nominal rate of 15% per annum.

CALIFORNIA

- PAPER CLAIMS DEADLINE: 30 days (non-HMO) and 45 days (HMO) from the receipt of claim.
- ELECTRONIC CLAIMS DEADLINE: 45 days (HMOs) 30 days (other) from the receipt of claim.
- INTEREST: In case of emergency services and care which is neither contested nor denied, payment of claim shall automatically include a penalty which is the *greater* of \$15 or 15% per annum for each 12 months period or portion thereof on non prorated basis. In all other cases late payment shall automatically include interest @15% per annum for the period the claim remains unpaid. If a payer does not automatically include the interest in late payment, it shall be liable to pay an additional \$10 for such late claim payment.

HAWAII

- PAPER CLAIMS DEADLINE: 30 calendar days from the receipt of claim
- ELECTRONIC CLAIMS DEADLINE: 15 calendar days from the receipt of claim
- INTEREST: 15% per annum, accruing as of the payment deadline. Any interest that accrues on a delayed claim shall be automatically added to the amount of the unpaid claim.

OREGON

- PAPER CLAIMS DEADLINE: 30 days from the receipt of claim
- ELECTRONIC CLAIMS DEADLINE: 30 days from the receipt of claim
- INTEREST: 12% per annum, accruing as of the payment deadline.



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WASHINGTON

- PAPER CLAIMS DEADLINE: 30 days from the receipt of claim
 - ELECTRONIC CLAIMS DEADLINE: 30 days from the receipt of claim
- INTEREST: Simple interest @1% per month beginning 62nd day following receipt of claim by the carrier. Interest amount shall be included in the claim payment.



PROMPT PAYMENT INSURANCE LAWS

SOUTH-EAST REGION

ALABAMA

- PAPER CLAIMS DEADLINE: 45 days from the date of receipt of claim
- ELECTRONIC CLAIMS DEADLINE: 30 days from the receipt of claim
- INTEREST: 1.5% per month prorated daily, accruing as of the payment deadline and should be paid along with the claim payment.

FLORIDA

- PAPER CLAIMS DEADLINE: 40 days (HMOs) from the receipt of claim
- ELECTRONIC CLAIMS DEADLINE: 20 days (HMOs) from the receipt of claim
- INTEREST: Simple interest @12% per annum, accruing as of the payment deadline date.

Paper submitted claims: Such claims must be paid or denied within 120 days after their receipt. Failure to pay or deny such claims within 140 days after their receipt creates an uncontestable obligation to pay such claims.

Electronically submitted claims: Such claims must be paid or denied within 90 days after their receipt. Failure to pay or deny such claims within 120 days after their receipt creates an uncontestable obligation to pay such claims.

GEORGIA

- PAPER CLAIMS DEADLINE: 15 days from the receipt of claim
- ELECTRONIC CLAIMS DEADLINE: 15 days from the receipt of claim
- INTEREST: 18% per annum, accruing as of the payment deadline.

NORTH CAROLINA

- PAPER CLAIMS DEADLINE: 30 days from the receipt of claim
- ELECTRONIC CLAIMS DEADLINE: 30 days from the receipt of claim
- INTEREST: 18% per annum, accruing as of the payment deadline.



PROMPT PAYMENT INSURANCE LAWS

SOUTH CAROLINA

- PAPER CLAIMS DEADLINE: 40 days from receipt of claim
- ELECTRONIC CLAIMS DEADLINE: 40 days from receipt of claim
- INTEREST: legal Rate



PROMPT PAYMENT INSURANCE LAWS

WEST REGION

ARIZONA

- PAPER CLAIMS DEADLINE: 30 days from the receipt of claim
- ELECTRONIC CLAIMS DEADLINE: 30 days from the receipt of claim
- INTEREST: 10% per annum, accruing as of the payment deadline.

IDAHO

- PAPER CLAIMS DEADLINE: 45 days from the receipt of claim
- ELECTRONIC CLAIMS DEADLINE: 30 days from the receipt of claim
- INTEREST: Legal rate of interest in accordance with section 28-22-104, Idaho Code. An interest amount less than \$4 shall not be payable. Insurers may add any interest due to a future payment to the beneficiary, practitioner or facility.

MONTANA

- PAPER CLAIMS DEADLINE: 30 days from the receipt of claim
- ELECTRONIC CLAIMS DEADLINE: 30 days from the receipt of claim
- INTEREST: 10% per annum, accruing as of the payment deadline. Interest shall be payable only where it exceeds \$5.

NEVADA

- PAPER CLAIMS DEADLINE: 30 days from the receipt of claim
- ELECTRONIC CLAIMS DEADLINE: 30 days from the receipt of claim
- INTEREST: In accordance with N.R.S.99.040.

NEW MEXICO

- PAPER CLAIMS DEADLINE: 45 days from the receipt of claim
- ELECTRONIC CLAIMS DEADLINE: 30 days from the receipt of claim
- INTEREST: 1.5% per month or 18% per annum, accruing as of the payment deadline.



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UTAH

- PAPER CLAIMS DEADLINE: 30 days from the receipt of claim
- ELECTRONIC CLAIMS DEADLINE: 30 days from the receipt of claim
- LATE FEE: For the first 90 days, the late fee shall be determined by multiplying together:
 - (i) total amount of the claim
 - (ii) total number of days the payment is late; and
 - (iii) .1%.

For a claim payment that is 91 or more days late, late fee shall be determined by adding together the late fee for 90 day period and multiplying together the following:

- (i) total amount of the claim
- (ii) total number of days the payment was late beyond the initial 90-day period
- (iii) Interest @10% per annum.

WYOMING

- PAPER CLAIMS DEADLINE: 45 days from the receipt of claim
- ELECTRONIC CLAIMS DEADLINE: 45 days from the receipt of claim
- INTEREST: Delayed payments shall incur interest @10% per annum.

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