

## Timelines

Please reference the rules for specific details. For any discrepancies between these reference materials and the rules, the rules prevail.

Subject		HB 610	SB 418
Duplicate Claim	Paper	N/A	46th day
	Electronic	N/A	31st day
	Pharmacy	N/A	22nd day
Statutory Claim Payment Deadline	Paper	45 days	45 days
	Electronic	45 days	30 days
	Pharmacy	21 days	21 days
Audit Completion		180 days	180 days
Payment Rate of Audited Claim		85% of contract	100% of contract
Additional Information Requests		N/A	30 days
Payment of Claim Upon Response to Request for Additional Information		45 days	Later of 15 days after receipt of response to request for additional information or statutory claim payment deadline
Recovery of Overpayments		N/A	Notice of overpayment must be given not more than 180 days after physician or provider receives payment
Verification	Routine	NA	5 days
	Concurrent Hospitalization	NA	24 hours
	Post stabilization or Life-threatening	NA	1 hour
Validity of Verification		NA	At least 30 days

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Subject		HB 610	SB 418
Preauthorization	<b>For approvals</b>		
	Routine	2 working days after receipt of all information necessary to make the decision	3rd calendar day after receipt of request
	Concurrent Hospitalization	24 hours	24 hours
	Post Stabilization or Life Threatening	1 hour	1 hour
	<b>For adverse determinations</b>		
	Routine	Within 3 working days after receipt of all necessary information	3rd calendar day after receipt of request
	Concurrent Hospitalization	Within 1 working day	24 hours
	Post Stabilization or Life Threatening	Within 1 hour	1 hour

## Timelines

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Subject	HB 610	SB 418
	<b>Pharmacy, Electronic and Paper</b>	
Penalties for Late Payment (from the end of the applicable statutory claim payment period) <b>(for clean claims only)</b>	On or before the 45th day after the applicable statutory claim payment period (for HB 610, penalty payment begins on the 46th day from the receipt of the claim)	Full Billed Charges (defined by rule) or Contracted Penalty Rate
	On or after the 46th day but before the 91st day after the applicable statutory claim payment period	Full Billed Charges (defined by rule) or Contracted Penalty Rate
	On or after the 91st day after the applicable statutory claim payment period	Full Billed Charges (defined by rule) or Contracted Penalty Rate
	The lesser of 50% of the difference between the billed charges and the contracted rate or \$100,000.	The lesser of 100% of the difference between the billed charges and the contracted rate or \$200,000.
	The lesser of 100% of the difference between the billed charges and the contracted rate or \$200,000 plus 18% annual interest on the penalty amount beginning on the date the claims was required to be paid ending on the date the claim and penalty are paid in full.	
SB 418 example of the penalty calculation for a clean claim that is paid on or before the 45th day after the end of the applicable statutory claim payment period (For this example, pharmacy claims, late payment = days 22-66; electronic claims = days 31-75; paper claims = days 46-90)	Amount of contracted rate: Billed charges:  \$15000-\$10000 = \$5000 X 50% = \$2500	\$10,000 \$15,000

## Timelines

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Subject	HB 610	SB 418	
Penalties for Underpayments (from the end of the applicable statutory claim payment period) <b>(for clean claims only)</b>	<b>Pharmacy, Electronic and Paper</b>		
	On or before the 45th day after the applicable statutory claim payment period (for HB 610, penalty payment begins on the 46th day from the receipt of the claim)	Full Billed Charges (defined by rule) or Contracted Penalty Rate	The lesser of 50% of the underpaid amount or \$100,000.
	On or after the 46th day but before the 91st day after the applicable statutory claim payment period	Full Billed Charges (defined by rule) or Contracted Penalty Rate	The lesser of 100% of the underpaid amount or \$200,000.
	On or after the 91st day after the applicable statutory claim payment period	Full Billed Charges (defined by rule) or Contracted Penalty Rate	The lesser of 100% of the underpaid amount or \$200,000 plus 18% annual interest on the penalty amount beginning on the date the claims was required to be paid ending on the date the claim and penalty are paid in full.
<b>SB 418 Penalty for Underpayments Calculation of Underpaid Amounts</b>	$\frac{\text{Amount underpaid on the contracted rate}}{\text{Amount of contracted rate}} \times \text{Billed charges} = \text{Underpaid Amount}$		
SB 418 Penalty Example for Underpaid Claims	Amount of contracted rate: \$1,000 Billed charges: \$1,500 Amount paid timely: \$800 Amount underpaid on contracted rate: \$200 - paid 30 days after statutory claims period expires $\$200/\$1000 \text{ (or 20\%)} \times \$1500 = \$300 - \text{Company owes a penalty of 50\% of the } \$300 \text{ underpaid or } \$150$		