

State/Citation	Status of Law	State Contact
Alabama HB164 (2001) Amends Insurance General Provisions § 27-1-19 Reimbursement of Health Care Providers Rules of Alabama State Board of Health Bureau of Health Care Standards Chapter 420-5-6 HMOs 420-5-6.06 (10)	30 calendar days for clean electronic claims & 45 calendar days for clean written claims. Interest on overdue claims is 1.5%.	For insurance plans: Alabama Department of Insurance, (334) 269-3550
Alaska Division of Alaska Insurance Administrative Code 3 AAC 26070	30 days for a clean claim to be paid.	Alaska Division of Insurance (907) 465-2515
Arizona Title 20 Insurance Chapter 2 Transaction of Insurance Business Article 6 Unfair Practices and Frauds § 20-462 Timely Payment of Claims	Claims must be paid within 30 days or the time period specified in the contract. Interest on overdue claims at a rate that is equal to the legal rate.	Arizona Department of Insurance (800) 325-2548
Arkansas Insurance Regulations Rule and Regulation 43 Unfair Claims Settlement Practices	30 days for electronic clean claims and 45 days for non-electronic clean claims. Penalty is 12% per year for late payment.	Arkansas Department of Insurance (800) 282-9134
California Health and Safety Codes Division 2. Licensing Provisions Chapter 2.2. Health Care Service Plans, Article 5. Standards 1371.35* Time limits for reimbursement, contest, or denial of certain claims; What constitutes complete claim; Claims exempted from time limits Insurance Code § 10123.13 Reimbursement of Claims	Claims must be paid within 45 working days for an HMO, 30 days for a health service plan. Interest accrues at 15% per annum.	California Department of Managed Healthcare (800) 400-0815
Colorado 10-16-106.5 Prompt Payment of Claims Legislative Declaration Title 10 Article 16 106.5 Prompt Payment of Claims - Legislative Declaration, Effective January 1, 2000	As of January 1, 2000, claims must be paid in 30 days if submitted electronically, 45 if not. Penalty is 10% annually. After 90 days an extra penalty of 10% of the total amount of claim is added.	Colorado Division of Insurance (303) 894-7499
Connecticut Public Act No. 98-163, Insurance General Statutes § 38a-816 An act concerning health provider billing practices and requiring health insurers to pay or reimburse providers on a timely basis	Claims must be paid within 45 working days. Interest accrues at 15% per annum.	Connecticut Department of Insurance (Consumer Affairs) (860) 297-3800

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Delaware Department of Insurance Regulation 80 Standards for Prompt, Fair and Equitable Settlement of Claims for Health Care Services	Clean claims must be paid in 45 days. Penalty interest at maximum rate allowable to lenders under Title 6 §2301A.	Delaware Department of Insurance (302) 739-4251
District of Columbia Title 31 Ch. 31A Section 331 et faq 2002 Supplement	30 days for clean claim. Interest penalty for overdue claims is 1.5% from 31 st to 60 th day. 61 st to 120 th day penalty is 2% and after 120 th interest penalty is 2.5%.	District of Columbia Department of Insurance (202) 727-8000
Florida Title 37 § 641.3155 Provider contracts; payment of claims	Electronic clean claims must be paid in 20 days and paper claim paid in 40 days. Interest penalty for overdue claims is 12% per year.	Consumer Affairs-Florida Department of Insurance (850) 413-3100
Georgia Title 33 Insurance § 33-24-59.4	Claims must be paid within 15 days. Interest accrues at 18% per annum.	Georgia Office of Insurance (Consumer Services) (404) 656-2056
Hawaii Chapter 431:13 Reimbursement for Health Insurance Benefits	Clean, paper claims must be paid in 30 days, electronic claims within 15 days. Interest accrues at 15%. Commissioner may impose fines.	Hawaii Medical Association (808) 536-7702
Idaho	Does not have a prompt payment law.	
Illinois 215 ILCS 5/368a Timely Payment for Health Care Services	Clean claims must be paid in 30 days. Interest accrues at 9% per annum.	Illinois Department of Insurance (312) 814-2427
Indiana IC 27-8-5.7 Accident and Sickness Insurance Provider Payment	Paper claims must be paid in 45 days, 30 days for electronic claims. The interest rate provided under §IC 12-15-27-3(7)(A).	Indiana Department of Insurance (Consumer Services) (317) 232-2385
Iowa Senate File 500 Section 8 "Duty to respond to Inquiries and Prompt Payment of Claim"	Clean claim paid within 30 days. Penalty amount is 10%.	Iowa Division of Insurance (515) 281-5705
Kansas L.2000 CH.147, Section 43-46 Chapter 40 Insurance Article 2 General Provisions 40-2,126 Interest due on Insurance Settlements	30 day timeframe 1% fine per month or interest imposed on late payment.	Kansas Department of Insurance, (ask for Accident & Health Services) (785) 296-3071
Kentucky KRS 304.17A.702 Claim Payment Time Frame Duties of Insurer	Claims must be paid within 30 working days. Interest accrues at 12% per annum between 31 and 60 days. 18% between 61 and 90 days. 21% after 90 days.	Kentucky Department of Insurance (502) 564-6088
Louisiana Title 22 R.S. 22:250.31 through 250.37	Claims submitted electronically must be paid within 25 days. Paper claims submitted in 45 days must be paid in 45 days; submitted after 45 days must be paid in 60 days. Penalty is 1% of unpaid balance. An additional 1% penalty is added for each 25 days that the claim remains unpaid.	Louisiana Department of Insurance (225) 342-0895
Maine Title 24 Insurance Code Chapter 27 The Insurance Contract § 2436 Late Payment	Clean claims must be paid within 30 days. Interest accrues at 1.5% per month.	Maine Bureau of Insurance (Ask for Consumer Health) (207) 624-8475

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Maryland Article - Insurance 15-1005. Prompt Payment of Claims	Clean claims must be paid within 30 days. Interest accrues at monthly rates of 1.5% (31-60 days late), 2% (61-120 days late), and 2.5% (121+ days late).	Maryland Insurance Administration (800) 492-6116
Massachusetts Chapter 141, Section 20 and 24	Payer must respond within 45 days of receipt of notice for claims reimbursement. Interest accrues at 1.5% per month, not to exceed 18% per year.	Massachusetts Division of Insurance, Health Unit of the State Rating Bureau (617) 521-7349
Michigan § 500.2006 Timely payment of benefits or interest; proof of loss	Law applies only to non-contracted providers: Claims must be paid in 60 days, with an interest penalty of 12% per annum.	Michigan Insurance Division (517) 373-0240
Minnesota Statutes Chapter 62Q.75 Prompt Payment Required	Undisputed or disputed claims paid within 30 days. Interest on overdue claims at 1.5% per month.	Minnesota Department of Commerce (651) 296-4026
Mississippi Title 83 Insurance Chapter 9 Accident, Health and Medicare Supplement Insurance 83-9-5 Policy Provisions	25 calendar days after receipt of electronic clean claims and 35 calendar days after receipt of non-electronic clean claims. Interest accrues at 1.5% per month.	Mississippi Department of Insurance (601) 359-3569
Missouri Missouri Revised Statutes Chapter 376 Life, Health, and Accident Insurance Section 376.393 H328 (2001) Amending existing law concerning penalties	Claims must be paid, denied, or returned for information within 45 days. Penalty is 1% per month. An additional penalty of 50% of the claim -- not to exceed \$20 -- is imposed if the claim is not paid, suspended or denied or if the interest due is not paid within 40 processing days if the provider so notifies the carrier of this delinquency.	Missouri Department of Insurance (573) 751-4126
Montana Title 33 Insurance and Insurance Companies Chapter 18 Unfair Trade Practices Part 2 Insurer's Relations with Insured and Claimant 33-18-232 Time for Payment of Claims	Clean claims must be paid within 30 days. Interest accrues at 18% per annum.	Montana Department of Insurance (406) 444-2040
Nebraska Unfair Claim Practices NE 44-1540	15 working days after claim adjudication is completed. 30 days to pay claim.	Nebraska Department of Insurance Consumer Hotline (877) 564-7323
Nevada Nevada Revised Statute (NRS) Chapter 683A.0879	30 days to pay claims. Interest equal to the prime rate at the largest bank in Nevada plus an additional 6%.	Nevada Division of Insurance (775) 687-4270
New Hampshire 415:6-H Effective 1/1/01 Prompt Payment Required	Payment within 15 days for electronic claims. 45 days for non-electronic claims. Interest 1.5% per month on overdue claims.	New Hampshire Department of Insurance (603) 271-2261
New Jersey S.B. 323 and A.B. 2121 Effective January 2000	Clean, electronic claims must be paid within 30 days, paper claims within 40 days. Interest on overdue claims at 10% per year.	New Jersey Division of Insurance, Life & Health Section, Enforcement & Consumer Protection (609) 292-5316
New Mexico Title 13 Insurance Chapter 10 Health Insurance Part 13 Managed Health Care	30 days for electronic clean claims and 45 days for non-electronic clean claims. Interest on overdue claims is 1.5% per month.	New Mexico Department of Insurance Consumer Division (505) 827-4601

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New York Chapters 637 and 666 of the Laws of 1997	Claims must be paid within 45 days. Interest accrues at greater of 12% per year or corporate tax rate determined by Commissioner.	New York State Insurance Department Consumer Services Bureau (212) 480-6400
North Carolina Chapter 58 Insurance Article 3 General Regulations for Insurance 58-3-100	Plan must notify of claim status within 30 days. No regulation on payment. Interest on overdue claims 18%.	North Carolina Department of Insurance (919) 733-2032
North Dakota § 26.1-36-37.1 Standard Health Insurance Proof of Loss Form - Claim Payment Time Limits	Claims must be paid within 15 days.	North Dakota Department of Insurance (701) 328-2440
Ohio Title 39 Insurance Chapter 3901 Superintendent of Insurance Miscellaneous Provisions § 3901.381 Prompt Payment of Health Care Providers by Third- Party Payers	Complete claims must be paid 30 days after receipt by the insurance carrier. Interest on overdue claims is 18% a year.	Ohio Department of Insurance (614) 644-2658
Oklahoma Insurance Code 36 §§ 1219, 1250.5 Delay in Payment of Claims Title 63 O.S. Section 2514 Reimbursement of Claims within Certain Time Period Title 74 §1238	Claims must be paid within 45 days. Interest accrues at 10% per year.	Oklahoma Insurance Department (405) 521-2828
Oregon Claim Settlement Practices 836-080-0225	30 days to pay claim. Interest on overdue claims is 12% per year.	Oregon Department of Insurance (503) 947-7984
Pennsylvania Title 40 P.S. Section 991.2166 Prompt Payment of Claims	Clean claims must be paid in 45 days. Interest is 10% per annum. For claims with HMOs/PPOs, providers must first exhaust carrier appeals process.	Pennsylvania Insurance Department (717) 787-2317
Rhode Island Prompt Claims Processing. Title 27, Chapter 18, Section 61	30 days for electronic claims. 40 days for paper claims. Interest penalty is 12% per year.	Rhode Island Department of Insurance (401) 222-2223
South Carolina Accident and Health Insurance 38-71-735(J)	Fully insured plan claims must be paid within 60 days, providing all necessary information is received to process claim.	South Carolina Department of Insurance (803) 737-6160
South Dakota Time limits for processing claims. 58-12-20	30 days for electronic, 45 days for paper claims.	South Dakota Department. of Insurance (605) 773-3563
Tennessee Title 56 Chapter 7, Section 109 Timely Reimbursement of Health Insurance Claim Act	30 days for non-electronic claims. 21days for electronic clean claims. Interest on overdue claims 1% per month.	Tennessee Department of Insurance, Legal Division (615) 741-2199

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<p>Texas Texas Health Maintenance Organization Act Chapter 20 A Section 18B Senate Bill 418 PPO Texas Insurance 3.70-3c, Section 3a HMO Article 20A.18b</p>	<p>45 days for payment, denial or audit of non-electronic, non-pharmacy clean claims; 30 days for payment, denial or audit of electronic; non-pharmacy clean claims; 21 days from affirmative adjudication for payment of pharmacy claims. <u>Late payment penalties:</u> (1) If claim is paid on or before 45th day after applicable statutory claim payment period (as defined) carrier must pay: contracted rate plus the lesser of 50% of difference between contracted rate and billed charges or \$100,000. (2) If claim is paid on or after the 46th day but before 91st day after applicable statutory claim payment period, carrier must pay: the contracted rate plus the lesser of 100% of the difference between contracted and billed charge or \$200,000. (3) If claim is paid on or after the 91st day after the applicable statutory claim payment period, the carrier must pay the contracted rate plus the penalty specified in paragraph 2 plus 18% interest on the penalty amount.</p>	<p>Texas Department of Insurance (512) 322-4266</p>
<p>Utah State Rule 590-89 Unfair Claims Settlement Practices Rule</p>	<p>30 days for claim payment. For the first 90 days that the payment is late: multiply the total amount of the claim by the total number of days that the payment is late by 1%. For a claim payment that is 91 or more days late, add the late fee for the first 90 days and the following sum: the total amount of the claim, the number of days that the response is late beyond the initial 90 days and the rate of interest established under § 15-1-1.</p>	<p>Utah Department of Insurance (801) 538-3800</p>
<p>Vermont Title 18 Chapter 221 Section 9418 Payment for Health Services</p>	<p>Claims must be paid in 45 days. Interest penalty is 12% per annum.</p>	<p>Vermont Department of Insurance (802) 828-3301</p>
<p>Virginia Chapter 34, Title 38.2 Section 38.2-3407.13 Ethics and Fairness in Carrier Business Practice</p>	<p>Clean claims must be paid within 40 days. Penalty interest rate is the legal rate of interest.</p>	<p>Virginia Legislative Services (804) 786-3591</p>
<p>Washington R § 284-43-321 (1999)</p>	<p>30 days for clean claims. Interest penalty is 1% per month.</p>	<p>Washington Insurance Commission (360) 753-7300</p>
<p>West Virginia 33-43-2</p>	<p>30 days for electronic clean claims and 40 days for manual (non-electronic) clean claims. Interest penalty is 10% per year.</p>	<p>West Virginia Division of Insurance (304) 558-3386</p>
<p>Wisconsin Insurance Chapter 628 Insurance Marketing Subchapter III. Marketing Practices 628.46 Timely Payment of Claims</p>	<p>If claims are not paid within 30 days they are subject to a penalty interest rate of 12% per year.</p>	<p>Wisconsin Department of Insurance Complaints & Consumer Services (608) 266-3585</p>
<p>Wyoming Title 26 Insurance Code Chapter 15 The Insurance Contract 26-15-124 Claim to be accepted or rejected; attorney's fees</p>	<p>Claims must be paid within 45 days. Interest penalty is 10% per year.</p>	<p>Wyoming Department of Insurance (307) 777-7401</p>

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