

# MAINE STATE LEGISLATURE

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# 122nd MAINE LEGISLATURE

## FIRST REGULAR SESSION-2005

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Legislative Document

No. 600

H.P. 433

House of Representatives, February 3, 2005

### **An Act To Save the Health Care System Money by Ensuring Timely Denials of Claims**

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Reference to the Committee on Insurance and Financial Services suggested and ordered printed.

*Millicent M. MacFarland*  
MILLICENT M. MacFARLAND  
Clerk

Presented by Representative GLYNN of South Portland.  
Cosponsored by Representative: SHIELDS of Auburn, Senator: ROSEN of Hancock.

Be it enacted by the People of the State of Maine as follows:

Sec. 1. 22 MRSA §3174-GG is enacted to read:

**§3174-GG. Timely payment of claims; coordination of benefits  
with primary payor**

If a health care provider has not received payment from a carrier, as defined in Title 24-A, section 4301-A, subsection 3, that is the primary payor of a claim for more than 90 days after submission of an electronic or paper claim, the provider may assume that a carrier who is the primary payor has denied the claim and submit that claim for payment to the MaineCare program if MaineCare qualifies as a secondary payor of the claim. The MaineCare program shall pay the claim and must be reimbursed for any payments made in accordance with this section if a carrier pays the claim or any part of the claim after 90 days.

Sec. 2. 24-A MRSA §4303, sub-§10-A is enacted to read:

**10-A. Timely payment of claims; coordination of benefits.**  
A carrier offering a health plan in this State that is the primary payor of a claim may not delay for more than 90 days payment of an undisputed claim or any part of an undisputed claim as defined in section 2436, subsection 2-A. After 90 days, a provider may assume that a carrier who is the primary payor has denied the claim and submit that claim for payment to a secondary payor, administrator or carrier, including but not limited to the MaineCare and Medicare programs. If a carrier pays the claim or any part of the claim after 90 days, the provider is responsible for any reimbursement to the secondary payor, administrator or carrier for payments made in accordance with this subsection. A carrier shall report annually to the superintendent on or after March 31st the total claims that have not been paid within 90 days during the preceding calendar year and the general reasons why payment of those claims has been delayed.

**SUMMARY**

This bill requires a health insurance carrier that is the primary payor of an undisputed insurance claim to make the payment within 90 days. If the payment is not made, the bill permits a health care provider to assume the claim has been denied and submit that claim to a secondary payor such as the MaineCare or Medicare program. The bill requires the MaineCare program to pay claims submitted by a provider that have not been paid by the primary carrier within 90 days if MaineCare qualifies as a secondary payor of the claim. The bill also requires that a health care provider reimburse the secondary payor for any

2      payments if the primary carrier pays any claims after 90 days.  
The bill also directs carriers to report annually regarding  
claims not paid within 90 days and the reasons for the delays.