
SENATE BILL 5812

State of Washington

56th Legislature

1999 Regular Session

By Senators Thibaudeau, Deccio, Wojahn, Winsley, Gardner, Prentice and Costa

Read first time 02/10/1999. Referred to Committee on Health & Long-Term Care.

1 AN ACT Relating to the prompt payment of health care claims; adding
2 a new section to chapter 48.43 RCW; and creating a new section.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 NEW SECTION. **Sec. 1.** The legislature finds and declares that
5 there is a need for a consistent and enforceable standard for the
6 payment to Washington state health care facilities and health care
7 providers of claims submitted to health plans after health care
8 services are provided to health plan members. The legislature finds
9 that Washington state health care facilities and health care providers
10 have experienced mounting delays in reimbursement for services
11 provided. There is evidence that providers are experiencing long
12 delays before claims for services rendered are paid, with an average
13 wait of over eighty days for hospital claims. The legislature further
14 finds that the federal health care financing administration has
15 addressed this situation for health plans participating in the medicare
16 program and it is the intent of this act to establish a process that is
17 consistent with this standard in addressing the administrative
18 uncertainties and financial solvency of Washington state health care
19 providers and health care facilities.

1 NEW SECTION. **Sec. 2.** A new section is added to chapter 48.43 RCW
2 to read as follows:

3 (1) For the purposes of this section:

4 (a) "Payer" means health plans, health carriers, health care
5 service contractors, hospital service corporations, medical service
6 corporations, health maintenance organizations, disability insurers,
7 workers' compensation self-insurers, specialized health care service
8 plans, and fiscal intermediaries for public programs such as medicare
9 fee for service, medicare managed care, medicaid healthy options,
10 medicaid fee for service, department of labor and industries,
11 Washington state health care authority, basic health plan, and public
12 employees' benefits board, or other organizations authorized to issue
13 health benefits plans in this state. "Payer" does not mean the
14 following plans, policies, or contracts: Accident only, credit
15 disability, long-term disability, long-term care, CHAMPUS supplemental
16 coverage, automobile medical payment insurance, or personal injury
17 protection insurance.

18 (b) "Claim" means a request for payment for health care services
19 that is submitted by a provider to a payer in a written, electronic, or
20 other equivalent format.

21 (c) "Clean claim" means the same as the medicare standard set forth
22 in Title XVIII of the Social Security Act, 42 U.S.C. Secs.
23 1816(c)(2)(B) and 1842(c)(2)(B), including but not limited to an
24 accurately completed uniform billing number 92 or health care financing
25 administration number 1500 or their electronic equivalent or other
26 formats adopted by the national uniform billing committee.

27 (d) "Provider" means any health care facility or professional
28 health care practitioner acting within the scope of its licensure or
29 certification.

30 (e) "All claims" means claims that are clean and claims that are
31 not clean.

32 (2)(a) For covered services rendered to members or enrollees, a
33 payer shall pay providers as soon as practical but subject to the
34 following minimum standards: (a) Clean claims shall be paid within
35 thirty days; and (b) all claims shall be paid or denied within sixty
36 days.

37 (b) The date of the claims is when the payer receives written or
38 electronic notice of the claim, in accordance with health care
39 financing administration guidelines. If a payer and provider have

1 agreed in writing to the submission of claims by a specific mode of
2 transmission, the payer shall calculate the time period beginning on
3 the date that the claim is received in the agreed-upon mode of
4 transmission.

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