

By: Nelson

S.B. No. 1846

A BILL TO BE ENTITLED

AN ACT

1  
2 relating to the prompt payment of certain claims by health  
3 maintenance organizations and preferred provider benefit plans.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

5 SECTION 1. Section 3A(d), Article 3.70-3C, Insurance Code,  
6 as added by Chapter 1024, Acts of the 75th Legislature, Regular  
7 Session, 1997, is amended to read as follows:

8 (d) Not [~~If a prescription benefit claim is electronically~~  
9 ~~adjudicated and electronically paid, and the preferred provider or~~  
10 ~~its designated agent authorizes treatment, the claim must be paid~~  
11 ~~not~~] later than the 21st day after the date an insurer affirmatively  
12 adjudicates a pharmacy claim that is electronically submitted, the  
13 insurer shall:

14 (1) pay the total amount of the claim through  
15 electronic funds transfer; or

16 (2) notify the pharmacy provider of the reasons for  
17 denying payment of the claim [~~treatment is authorized~~].

18 SECTION 2. Section 843.339, Insurance Code, as effective  
19 June 1, 2003, is amended to read as follows:

20 Sec. 843.339. DEADLINE FOR ACTION ON CERTAIN PRESCRIPTION  
21 BENEFIT CLAIMS. Not [~~If a health maintenance organization or its~~  
22 ~~designated agent authorizes treatment, a prescription benefit~~  
23 ~~claim that is electronically adjudicated and electronically paid~~  
24 ~~shall be paid not~~] later than the 21st day after the date a health

1 maintenance organization or the health maintenance organization's  
2 designated agent affirmatively adjudicates a pharmacy claim that is  
3 electronically submitted, the health maintenance organization  
4 shall:

5           (1) pay the total amount of the claim through  
6 electronic funds transfer; or

7           (2) notify the pharmacy provider of the reasons for  
8 denying payment of the claim [~~on which the treatment is~~  
9 ~~authorized~~].

10           SECTION 3. This Act takes effect September 1, 2003, and  
11 applies only to a payment to a pharmacy provider for claims  
12 submitted to a health maintenance organization or an insurer on or  
13 after that date.