

SENATE BILL 124

55TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2021

INTRODUCED BY

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This document may incorporate amendments proposed by a committee, but not yet adopted, as well as amendments that have been adopted during the current legislative session. The document is a tool to show amendments in context and cannot be used for the purpose of adding amendments to legislation.

AN ACT

RELATING TO INSURANCE; REGULATING THE PROCESSING AND PAYMENT OF PHARMACY CLAIMS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

SECTION 1. Section 59A-16-21.1 NMSA 1978 (being Laws 2000, Chapter 58, Section 1, as amended) is amended to read:

"59A-16-21.1. HEALTH PLAN REQUIREMENTS.--

A. As used in this section:

.218659.4AIC February 25, 2021 (10:23am)

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(1) "clean claim" means a manually or electronically submitted claim from an eligible provider that:

(a) contains substantially all the required data elements necessary for accurate adjudication without the need for additional information from outside of the health plan's system;

(b) is not materially deficient or improper, including lacking substantiating documentation currently required by the health plan; and

(c) has no particular or unusual circumstances requiring special treatment that prevent payment from being made by the health plan within STBTC→SHPAC→fourteen days of receipt of the claim if submitted electronically by a pharmacy,←SHPAC←STBTC STBTC→fourteen days of receipt of a claim for prescription drugs and related fees if submitted electronically by a pharmacy,←STBTC thirty days of the date of receipt STBTC→if submitted electronically←STBTC STBTC→of any other electronically submitted claim←STBTC STBTC→SHPAC→by an eligible provider other than a pharmacy←SHPAC←STBTC or forty-five days if submitted manually;

(2) "eligible provider" means an individual or entity that:

(a) is a participating provider;

(b) a health plan has credentialed after assessing and verifying the provider's qualifications; or

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(c) a health plan is obligated to reimburse for claims in accordance with the provisions of: 1) Subsection G of Section 59A-22-54 NMSA 1978; 2) Subsection G of Section 59A-23-14 NMSA 1978; 3) Subsection G of Section 59A-46-54 NMSA 1978; or 4) Subsection G of Section 59A-47-49 NMSA 1978;

(3) "health plan" means one of the following entities or its agent: health maintenance organization, nonprofit health care plan, provider service network or third-party payer; and

(4) "participating provider" means an individual or entity participating in a health plan's provider network.

B. A health plan shall provide for payment of interest on the plan's liability at the rate of one and one-half percent a month on:

(1) the amount of a clean claim electronically submitted by the eligible provider and not paid within thirty days of the date of receipt and within fourteen days of the date of receipt STBTC→**of a claim for prescription drugs and related fees**←STBTC if the eligible provider is a pharmacy; and

(2) the amount of a clean claim manually submitted by the eligible provider and not paid within forty-five days of the date of receipt.

C. If a health plan is unable to determine

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liability for or refuses to pay a claim of an eligible provider within the times specified in Subsection B of this section, the health plan shall make a good-faith effort to notify the eligible provider by fax, electronic or other written communication within fourteen days of receipt of STBTC→the claim←STBTC STBTC→a claim for prescription drugs and related fees←STBTC if submitted electronically by a pharmacy, thirty days of receipt of STBTC→~~the claim if submitted electronically~~ by←STBTC STBTC→~~SHPAC~~→~~an eligible provider~~←~~SHPAC~~←STBTC STBTC→~~other than a pharmacy~~←STBTC STBTC→any other electronically submitted claim←STBTC or forty-five days if submitted manually, of all specific reasons why it is not liable for the claim or that specific information is required to determine liability for the claim.

D. No contract between a health plan and a participating provider shall include a clause that has the effect of relieving either party of liability for its actions or inactions.

E. The office of superintendent of insurance, with input from interested parties, including health plans and eligible providers, shall promulgate rules to require health plans to provide:

- (1) timely eligible provider access to claims status information;
- (2) processes and procedures for submitting

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claims and changes in coding for claims;

(3) standard claims forms; and

(4) uniform calculation of interest."

SECTION 2. EFFECTIVE DATE.--The effective date of the provisions of this act is July 1, 2021.

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