

SENATE PUBLIC AFFAIRS COMMITTEE SUBSTITUTE FOR  
SENATE BILLS 164 & 317

**44TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION,  
2000**

AN ACT

RELATING TO HEALTH; PROVIDING REQUIREMENTS FOR CERTAIN HEALTH  
PLANS.

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

Section 1. HEALTH PLAN REQUIREMENTS.--

A. As used in this section:

(1) "clean claim" means a manually or  
electronically submitted claim from a participating 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; or

1 (c) has no particular or unusual  
2 circumstances requiring special treatment that prevent  
3 payment from being made by the health plan within thirty days  
4 of the date of receipt if submitted electronically or forty-  
5 five days if submitted manually; and

6 (2) "health plan" means health maintenance  
7 organizations, provider service networks or third party  
8 payers or their agents.

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

12 (1) the amount of a clean claim  
13 electronically submitted by the participating provider and  
14 not paid within thirty days of the date of receipt; and

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

18 C. If a health plan is unable to determine  
19 liability for or refuses to pay a claim of a participating  
20 provider within the times specified in Subsection B of this  
21 section, the health plan shall make a good-faith effort to  
22 notify the participating provider by fax, electronic or other  
23 written communication within thirty days of receipt of the  
24 claim if submitted electronically or forty-five days if  
25 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.

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

5           E. By December 1, 2000, the insurance division of  
6 the public regulation commission, with input from interested  
7 parties, including health plans and participating providers,  
8 shall promulgate rules to require health plans to provide:

9                   (1) timely participating provider access to  
10 claims status information;

11                   (2) processes and procedures for submitting  
12 claims and changes in coding for claims;

13                   (3) standard claims forms; and

14                   (4) uniform calculation of interest.

underscored material = new  
~~[bracketed material] = delete~~