

1 SENATE BILL 124

2 **55TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2021**

3 INTRODUCED BY

4 Bill Tallman and Steven P. Neville

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10 AN ACT

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

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

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

17 "59A-16-21.1. HEALTH PLAN REQUIREMENTS.--

18 A. As used in this section:

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

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

25 (b) is not materially deficient or

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1 improper, including lacking substantiating documentation
2 currently required by the health plan; and

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

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

10 (a) is a participating provider;

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

13 (c) a health plan is obligated to
14 reimburse for claims in accordance with the provisions of: 1)
15 Subsection G of Section 59A-22-54 NMSA 1978; 2) Subsection G of
16 Section 59A-23-14 NMSA 1978; 3) Subsection G of Section
17 59A-46-54 NMSA 1978; or 4) Subsection G of Section 59A-47-49
18 NMSA 1978;

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

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

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

4 (1) the amount of a clean claim electronically
5 submitted by the eligible provider and not paid within thirty
6 days of the date of receipt and within fourteen days of the
7 date of receipt if the eligible provider is a pharmacy; and

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

11 C. If a health plan is unable to determine
12 liability for or refuses to pay a claim of an eligible provider
13 within the times specified in Subsection B of this section, the
14 health plan shall make a good-faith effort to notify the
15 eligible provider by fax, electronic or other written
16 communication within fourteen days of receipt of the claim if
17 submitted electronically by a pharmacy, thirty days of receipt
18 of the claim if submitted electronically by other than a
19 pharmacy or forty-five days if submitted manually, of all
20 specific reasons why it is not liable for the claim or that
21 specific information is required to determine liability for the
22 claim.

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

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1 or inactions.

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

6 (1) timely eligible provider access to claims
7 status information;

8 (2) processes and procedures for submitting
9 claims and changes in coding for claims;

10 (3) standard claims forms; and

11 (4) uniform calculation of interest."

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

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