

**304.17A-722 Administrative regulations on claims payment practices.**

- (1) No later than ninety (90) days following July 15, 2002, the department shall promulgate administrative regulations requiring all insurers to report information on a calendar quarter basis on prompt payment of claims to providers, as defined in KRS 304.17A-700, that shall be limited to the following:
  - (a) The number of clean claims received by the insurer, its agent, or designee during the reporting period;
  - (b) The percentage of clean claims received by the insurer, its agent, or designee that were:
    1. Adjudicated within the claims payment timeframe;
    2. Adjudicated within one (1) to thirty (30) days from the end of the claims payment timeframe;
    3. Adjudicated within thirty-one (31) to sixty (60) days from the end of the claims payment timeframe;
    4. Adjudicated within sixty-one (61) to ninety (90) days from the end of the claims payment timeframe;
    5. Adjudicated more than ninety (90) days from the end of the claims payment timeframe; and
    6. Not yet adjudicated;
  - (c) The percentage of clean claims received during the reporting quarter that were paid and not denied or contested:
    1. Within the claims payment timeframe;
    2. Within one (1) to thirty (30) days from the end of the claims payment timeframe;
    3. Within thirty-one (31) to sixty (60) days from the end of the claims payment timeframe;
    4. Within sixty (60) to ninety (90) days from the end of the claims payment timeframe;
    5. More than ninety (90) days from the end of the claims payment timeframe; and
    6. Not yet paid;
  - (d) Amount of interest paid; and
  - (e) For clean claims received during the reporting quarter that were not denied or contested, the percentage of the total dollar amount of those claims that were paid within the claims payment timeframe.
- (2) Data required in subsection (1) of this section shall be reported for hospitals, physicians, and all other providers, excluding pharmacies.
- (3) Insurers shall submit information required in subsection (1) of this section to the department no later than one hundred eighty (180) days following the close of the reporting quarter.

- (4) The department shall, as part of the market conduct survey of each insurer, audit the insurer to determine compliance with KRS 304.17A-700 to 304.17A-730 and KRS 304.14-135 and 304.99-123. Findings shall be made available to the public upon request.
- (5) The commissioner shall annually present to the Interim Joint Committee on Banking and Insurance and to the Governor a report on the payment practices of insurers and compliance with the provisions of KRS 304.17A-700 to 304.17A-730 and KRS 205.593, 304.14-135, and 304.99-123 and the commissioner's enforcement activities, including the number of complaints received and those acted upon by the department.

**Effective:** July 15, 2010

**History:** Amended 2010 Ky. Acts ch. 24, sec. 1250, effective July 15, 2010. -- Amended 2002 Ky. Acts ch. 181, sec. 16, effective July 15, 2002. -- Created 2000 Ky. Acts ch. 436, sec. 12, effective July 14, 2000.