

Department of Legislative Services
Maryland General Assembly
2006 Session

FISCAL AND POLICY NOTE

Senate Bill 554
Finance

(Senator Exum)

Health Insurance - Prompt Payment of Claims by Carriers - Clean Claims

This bill specifies that a claim for the treatment of an accidental personal injury under State workers' compensation laws is considered a "clean claim" for the purpose of insurance reimbursement.

Fiscal Summary

State Effect: Any additional complaints regarding "clean claims" that are not processed in a timely manner could be handled with existing Maryland Insurance Administration resources. No effect on revenues.

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law: A "clean claim" is a properly-submitted claim for reimbursement. In general, a clean claim is a claim submitted on the uniform claim form. It must contain specified information about the enrollee and the treatment, including any attachments required by the insurer, in order for the carrier to determine whether the claim is payable and the proper payment amount. If the claim is not clean, the carrier must also specify the information necessary for the claim to be considered clean. The carrier must pay any undisputed part of the claim within 30 days from the receipt of the claim.

For the purposes of workers' compensation, an "accidental personal injury" means: (1) an accidental injury that arises out of and in the course of employment; (2) an injury

caused by a willful or negligent act of a third person directed against a covered employee in the court of the employment; or (3) a disease or infection that naturally results from an accidental injury that arises out of and in the course of employment.

Additional Information

Prior Introductions: None.

Cross File: HB 1081 (Delegate Murray, *et al.*) – Health and Government Operations.

Information Source(s): Workers' Compensation Commission, Department of Health and Mental Hygiene, Maryland Insurance Administration, Department of Legislative Services

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nas/jr

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