



# MARYLAND ACADEMY OF FAMILY PHYSICIANS

ABLE, RESPONSIVE FAMILY PHYSICIANS SERVING THEIR COMMUNITIES

DATE: February 13, 2020

TO: The Honorable Shane Pendergrass, Chairman  
The Honorable Joseline Pena-Melnyk, Vice Chairman  
The Honorable Terri Hill

FROM: Maryland Academy of Family Physicians, Mozella Williams, MD, President

RE: SUPPORT—House Bill 729--Health Insurance – Payment of Clean Claims –  
Time Limit

On behalf of the Maryland Academy of Family Physicians, I am writing in support of House Bill 729: Health Insurance – Payment of Clean Claims – Time Limit. The Maryland Academy of Family Physicians is the largest professional medical specialty society in Maryland. Its over 1,200 members are practicing family physicians, family physicians in training and medical students. The Academy requests your support for this legislation.

This bill shortens the timeframe in which an insurer must pay a clean claim for reimbursement of services provided from 30 days to 3 days, and adjusts the corresponding monthly rate of interest to be paid by the insurer to 1.5% from the 31<sup>st</sup> day through the 60<sup>th</sup> day to the 4<sup>th</sup> through the 60<sup>th</sup> day.

Family physicians spend a substantial portion of their time tending to the administration of their practice, including billing. The timely payment of clean claims, where the physician has provided the necessary information to the insurer and the claim is properly in order to be processed, is an important return in exchange for this time. With the vast improvements in technology over the years, 30 days has become an extremely long period of time for the insurer to process a payment. The Academy believes that a shortening of this time frame is a reasonable update to the statute.

For these reasons, the Academy urges the Committee to support HB 729.

cc: Members, Health & Government Operations Committee