

Prompt Payment Laws by State & Sample Appeal Letter

State	Payment Timeframe	Penalty(ies)	Contact
Alabama	30 working days for electronic claims; 45 paper	DOI fine	Alabama Department of Insurance, Life and Health Division 334-269-3550 http://www.aldoi.gov/
Alaska	Paper: 20 working days Electronic: 10 working days	< \$250: 5 % payment or \$5, whichever is less > \$250: 2 % of the payment	Alaska Division of Insurance (907) 465-2515 http://www.dced.state.ak.us/insurance/
Arizona	All claims types: 30 days after claim approved	Legal interest rate	Arizona Department Of Insurance (602) 912-8456 http://www.id.state.az.us/index.html
Arkansas	Paper: 45 calendar days Electronic: 30 calendar days	12% annually	Arkansas Insurance Department (501)371-2600 or 1-800-282-9134 http://www.state.ar.us/insurance/
California	Non-HMOs: 30 working days HMO's: 45 working days	15% annually; \$10 additional non-inclusion of interest with payment	California Department of Insurance (800) 927-HELP (4357) (213) 897-8921 http://www.insurance.ca.gov/
Colorado	All claim types: 45 working days	10% annually; > 90 days 3% claim amount	Colorado Division of Insurance (800) 930-3745 - Toll Free http://www.dora.state.co.us/insurance/
Connecticut	All claim types: 45 working days	15% annually	State of Connecticut Insurance Department (860) 297-3800 http://www.ct.gov/cid/site/default.asp
Delaware	All claim types: 30 working days	Maximum allowable lending rate	Delaware Insurance Department (302) 739-4251 http://www.state.de.us/inscom/
District of Columbia	All claims types: 30 working days after receipt of claim	1.5%: 31 -60 days 2%: 61 - 120 days 2.5% thereafter	Department of Insurance and Securities Regulation (202) 727-8000 http://www.disr.dc.gov/main.shtm
Florida	HMO claims: 35 days Non-HMO claims: 45 days Claim requesting additional information: 120 days	10% annually	Florida Department of Financial Services (850) 413-3100 http://www.fldfs.com/
Georgia	All claim types: 15 working days	18% annually	Georgia Insurance Fire and Safety Commission 404-656-2070 http://www.inscomm.state.ga.us/

Hawaii	Paper: 30 days Electronic: 15 days	15% annually; fines assessed	Hawaii Department of Commerce and Consumer Affairs 808-586-2790 http://www.hawaii.gov/dcca/ins/
Idaho	All claim types: 30 working days	Legal rate of interest	Idaho Department of Insurance 208-334-4250 http://www.doi.state.id.us/
Illinois	All claim types: 30 days	9% annually	Illinois Department of Insurance 1-866-445-5364 http://www.ins.state.il.us/
Indiana	Paper: 45 days Electronic: 30 days	2% annually (changes each year; check website)	Indiana Department of Insurance (317) 232-2385 http://www.state.in.us/idoi/
Iowa	The rules shall be same as time for group health plans established by the U SDOL pursuant to 29 C.F.R. pt. 2560.	10% annually	Iowa Insurance Division Toll Free: 877-955-1212 http://www.iid.state.ia.us/
Kansas	All claim types: 30 days	1% annually	Topeka Office Phone: 785-296-3071 Wichita Office Phone: 316-337-6010 http://www.ksinsurance.org/ ,
Kentucky	All claim types: 30 days to pay or deny	12% annually if 31 -60 days 18% annually if 61 - 90 days 21% over 91 days	Kentucky Department of Insurance (800)595-605 http://www.doi.state.ky.us/kentucky/
Louisiana	Paper: submitted w/in 45 days, 45 days to pay Electronic: 25 days	1% of unpaid balance; additional 1% penalty added for each 25 days remains unpaid	Louisiana Department of Insurance (225) 342-5900 http://www.ldi.state.la.us/
Maine	All claim types: 30 days	1.5% per month	Maine Bureau of Insurance, Tel: 800-300-5000 (in state) or 207-624-8475 http://www.state.me.us/pfr/ins/ins_index.htm
Maryland	All claim types: 30 days	1.5% per month 31- 60 days 2% per month 61-120 days 2.5% per month over 121 days	Maryland Insurance Administration 410-468-2000 http://www.mdinsurance.state.md.us/
Massachusetts	All claim types: 45 days after receipt	1.5% per month	Massachusetts Division of Insurance (617) 521-7777 http://www.state.ma.us/doi/ ,
Michigan	Non-contracted providers: 60 days	12% annually	Office of Financial and Insurance Services 517- 373-1820 http://www.cis.state.mi.us/ins

Minnesota	All claim types: 30 days	1.5% per month	Minnesota Department of Commerce 651-296-4026 http://www.state.mn.us/portal/mn/jsp/home.do?agency=Commerce
Mississippi	Paper: 35 days Electronic: 25 days	1.5% per month	Mississippi Department of Insurance (601)359-2453 or 1-800-562-2957 http://www.doi.state.ms.us/
Missouri	All claim types: 45 days for payment or denial	1% per month	Missouri Department of Insurance (573) 751-4126 http://insurance.mo.gov/index.htm
Montana	All claim types: 30 days	18% annually	Montana Department of Insurance (402) 471-2201 / TDD (800) 833-7352 www.state.mt.us/sao/insdiv.htm
Nebraska	All claim types: 45 days	Submit "prompt pay report" to DOI for consideration	Nebraska Department of Insurance (402) 471-2201 http://www.doi.ne.gov/brochure/conalert/out06153.pdf
Nevada	All claim types: 30 days	http://doi.state.nv.us/G-TaskForceTimelyPayOfClaims-2.pdf	<u>Carson City Office</u> : (775) 687-4270 <u>Las Vegas Office</u> : (702) 486-4009 http://doi.state.nv.us/
New Hampshire	Paper: 45 days Electronic: 15 days	1.5% monthly	State of New Hampshire Insurance Department 800-852-3416 http://www.state.nh.us/insurance/
New Jersey	Paper: 40 days Electronic: 30 days	10% annually	New Jersey Department of Banking and Insurance 609-292-5360 http://www.state.nj.us/dobi/index.shtml
New Mexico	Paper: 45 days Electronic: 30 days	1.5% monthly	New Mexico Public Regulation Commission-Insurance Division (505) 827-4601 http://www.nmprc.state.nm.us/id.htm
New York	All claim types: 45 days	Interest is calculated as the greater of 12% per annum or the rate set by the commissioner	State of New York Insurance Department 1-800-342-3736 http://www.ins.state.ny.us/
North Carolina	All claims types: 30 days for payment or denial	18% annually	North Carolina Department of Insurance 919-733-2032 http://www.ncdoi.com/
North Dakota	All claim types: 15 days	None given	North Dakota Department of Insurance (701) 328-2440 - phone http://www.nd.gov/ndins/
Ohio	All claim types: 30 days	18% annually	The Ohio Department of Insurance (614) 644-2658 http://www.ohioinsurance.gov/
Oklahoma	All claim types: 45 days	10% annually > 6 interest rate same as US rate	Oklahoma Insurance Department (405) 521-2828 or (800) 522-0071 http://www.oid.state.ok.us/

Oregon	All claims types: 30 days	12% annually	Oregon Department of Consumer and Business Services Phone: 503-947-7980 http://www.cbs.state.or.us/external/ins/
Pennsylvania	All claim types: 45 days	10% annually	Pennsylvania Insurance Department Philadelphia, PA 19130 Phone: (215) 560-2630 http://www.ins.state.pa.us/ins/site/default.asp
Rhode Island	All claims: 30 days	12% annually	Department of Business Regulation Telephone No. (401) 222-2223 http://www.dbr.state.ri.us/
South Carolina	Paper: 45 days Electronic: 30 days	6% annually	South Carolina Department of Insurance (803) 737-6180 https://www.doi.sc.gov/
South Dakota	Paper: 45 days Electronic: 30 days	None indicated	South Dakota Division of Insurance http://www.state.sd.us/drr2/reg/insurance/
Tennessee	Paper: 30 days Electronic: 21 days	1% monthly	Tennessee Department of Commerce and Insurance 615-741-2218 http://www.state.tn.us/commerce/sfm/index.html
Texas	HMO's only: 45 days	18% annually	Texas Department of Insurance (512) 463-6169 - 800-578-4677 http://www.tdi.state.tx.us/ http://www.tdi.state.tx.us/consumer/payors.html
Utah	All claim types: 30 days for payment or denial	May be applied according to formula	Utah Insurance Department (800) 439-3805 http://www.insurance.utah.gov/
Vermont	All claim types: 45 days	12% annually	State of Vermont Insurance Division http://www.bishca.state.vt.us/InsurDiv/insur_index.htm
Virginia	All claim types: 45 days	Daily legal rate of interest	Virginia State Corporation Commission 804-371-9741 http://www.state.va.us/scc/division/boi/
Washington	90% monthly volume:30 days 90% monthly volume: payment or denial 60 days	1% monthly	Washington State Office of the Insurance Commissioner 800-562-6900 http://www.insurance.wa.gov/
West Virginia	Paper: 40 days Electronic: 30 days	10% annually	West Virginia Insurance Commission 304-558-3354 http://www.state.wv.us/insurance/WVICOnline/contact.htm
Wisconsin	All claim types: 30 days	12% annually	Office of the Commissioner of Insurance (608) 266-3585 http://oci.wi.gov/oci_home.htm
Wyoming	All claim types: 45 days	10% annually	Wyoming Insurance Department 307 777-7401 http://insurance.state.wy.us/

Sample Appeal Letter: State Prompt Payment / Open Claim

NOTE: Sample provided for Georgia; refer to information regarding your state's prompt payment law.

Date

To Whom It May Concern:

Thank you for the opportunity to submit this denied claim for reconsideration of payment. We are contacting you about the services rendered to [Details about the patient's name, date of service, and services rendered].

We request immediate payment of the above referenced claim. According to our records, this claim was filed on [date of filing], however, payment has not yet been received.

We believe that failure to release payment may be a violation of Georgia Code 33. According to Georgia Code 33-24-59.5.(b)(1):

All benefits under a health benefit plan will be payable by the insurer which is obligated to finance or deliver health care services under that plan upon such insurer's receipt of written proof of loss or claim for payment for health care goods or services provided. The insurer shall within 15 working days after such receipt mail to the insured or other person claiming payments under the plan payment for such benefits or a letter or notice which states the reasons the insurer may have for failing to pay the claim, either in whole or in part, and which also gives the person so notified a written itemization of any documents or other information needed to process the claim or any portions thereof which are not being paid. Where the insurer disputes a portion of the claim, any undisputed portion of the claim shall be paid by the insurer in accordance with this chapter. When all of the listed documents or other information needed to process the claim have been received by the insurer, the insurer shall then have 15 working days within which to process and either mail payment for the claim or a letter or notice denying it, in whole or in part, giving the insured or other person claiming payments under the plan the insurer's reasons for such denial.

Note: full text at:

http://www.legis.state.ga.us/cgi-bin/gl_codes_detail.pl?code=33-24-59.5

Based on this state mandate and the fact that this is a "clean claim", we ask that this claim be adjudicated immediately.

Thank you for your reconsideration.

Sincerely,

[Your Name]

Account Representative

Author's note: The sample appeal letter does not guarantee payment, and is offered as a sample only.