
HOUSE BILL 2940

State of Washington

55th Legislature

1998 Regular Session

By Representative Smith

Read first time 01/23/98. Referred to Committee on Health Care.

1 AN ACT Relating to prompt payment of providers by health carriers;
2 adding a new section to chapter 48.43 RCW; and providing an effective
3 date.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 NEW SECTION. **Sec. 1.** A new section is added to chapter 48.43 RCW
6 to read as follows:

7 (1) Health carriers shall make prompt payment to health care
8 providers for health care services provided to enrollees of the health
9 carrier. For the purpose of this section, "prompt payment" means
10 payment not later than the 30th day after a claim for payment is
11 received by the carrier with documentation reasonably necessary to
12 process the claim. For claims in which the obligation of the carrier
13 to pay the claim is not reasonably clear due to a good faith dispute or
14 a good faith need for additional information reasonably necessary to
15 process the claim, the carrier shall: (a) Pay any undisputed portion
16 of the claim within thirty days; (b) notify the provider of the dispute
17 or needed documentation in a timely manner; and (c) pay the remainder
18 of the claim owed within thirty days of receiving the necessary
19 documentation or the resolution of the dispute.

1 (2) Any health carrier that violates the requirements of subsection
2 (1) of this section shall pay interest to the provider at the rate of
3 twelve percent per annum on the amount of the claim from the date the
4 payment should have been made under subsection (1) of this section
5 until the date the payment actually is made.

6 (3) This section applies to all claims made on or after July 1,
7 1998, unless a contract entered into before July 1, 1998, between the
8 provider and carrier provides a specific remedy for untimely payment of
9 the provider by the carrier. This section applies to all claims made
10 under contracts between providers and carriers entered into on or after
11 July 1, 1998.

12 NEW SECTION. **Sec. 2.** This act takes effect July 1, 1998.

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