

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 636 Session of 2005

INTRODUCED BY ROHRER, BELFANTI, BOYD, CALTAGIRONE, CAPPELLI, CLYMER, CRAHALLA, CREIGHTON, FRANKEL, GILLESPIE, GOODMAN, HENNESSEY, HUTCHINSON, LEH, S. MILLER, O'NEILL, PALLONE, PHILLIPS, REICHLEY, SATHER, SAYLOR, SCAVELLO, SCHRODER, SEMMEL, E. Z. TAYLOR, THOMAS, TIGUE, TRUE, WASHINGTON AND WILT, MARCH 1, 2005

REFERRED TO COMMITTEE ON INSURANCE, MARCH 1, 2005

AN ACT

1 Amending the act of May 17, 1921 (P.L.682, No.284), entitled "An  
2 act relating to insurance; amending, revising, and  
3 consolidating the law providing for the incorporation of  
4 insurance companies, and the regulation, supervision, and  
5 protection of home and foreign insurance companies, Lloyds  
6 associations, reciprocal and inter-insurance exchanges, and  
7 fire insurance rating bureaus, and the regulation and  
8 supervision of insurance carried by such companies,  
9 associations, and exchanges, including insurance carried by  
10 the State Workmen's Insurance Fund; providing penalties; and  
11 repealing existing laws," further providing for prompt  
12 payment to health care providers of clean claims.

13 The General Assembly of the Commonwealth of Pennsylvania  
14 hereby enacts as follows:

15 Section 1. Section 2166(a) of the act of May 17, 1921  
16 (P.L.682, No.284), known as The Insurance Company Law of 1921,  
17 added June 17, 1998 (P.L.464, No.68), is amended to read:

18 Section 2166. Prompt Payment of Claims.--(a) A licensed  
19 insurer or a managed care plan shall pay a clean claim submitted  
20 by a health care provider within forty-five (45) days of receipt  
21 of the clean claim[.] and where the clean claim is paid in the

1 form of a negotiable instrument and removed directly to the  
2 insured, the negotiable instrument shall be made payable jointly  
3 to the insured and the health care provider.

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5 Section 2. This act shall take effect in 60 days.