

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1420 Session of
2005

INTRODUCED BY ARMSTRONG, BELFANTI, BENNINGHOFF, BIANCUCCI, BOYD, BUXTON, CALTAGIRONE, CAPPELLI, CAUSER, CRAHALLA, DENLINGER, DeWEESE, FLEAGLE, FRANKEL, FREEMAN, GEIST, GEORGE, GILLESPIE, GINGRICH, GOOD, GRUCELA, HALUSKA, HARHAI, HARHART, HENNESSEY, HUTCHINSON, JAMES, KOTIK, LEVDANSKY, MACKERETH, MANN, McILHATTAN, McILHINNEY, MUNDY, MUSTIO, O'NEILL, PICKETT, RAPP, REED, REICHLEY, ROHRER, RUBLEY, SCAVELLO, SCHRODER, SHANER, B. SMITH, SOLOBAY, R. STEVENSON, SURRA, E. Z. TAYLOR, TIGUE, TRUE, TURZAI, WALKO, WILT, YOUNGBLOOD AND BROWNE, APRIL 26, 2005

REFERRED TO COMMITTEE ON INSURANCE, APRIL 26, 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

1 by a health care provider within forty-five (45) days of receipt
2 of the clean claim[.] and where the clean claim involves
3 services provided by a licensed ambulance service and is paid in
4 the form of a negotiable instrument, the negotiable instrument
5 shall be made payable solely to the licensed ambulance service
6 for such services and notice of the payment shall be provided by
7 the licensed insurer or managed care plan to the insured or
8 subscriber.

9 * * *

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