AN ACT concerning the Kansas medical assistance program contracts with managed care organizations.

Be it enacted by the Legislature of the State of Kansas:

Section 1. (a) Any contract between the Kansas medical assistance program and any managed care organization serving the state of Kansas shall require the processing and payment or processing and denial by the managed care organization of all clean claims within 30 days after receipt of the clean claim, and the processing and payment or processing and denial by the managed care organization of all claims within 90 days after receipt of the claim. The contract shall also include a late payment provision that requires the managed care organization to pay interest to the provider at the rate of 12% per annum for each month that the managed care organization has neither processed and paid nor processed and denied a submitted claim or clean claim after the time limits set forth in this section.

(b) For the purposes of this section, the terms "claim" and "clean claim" shall be assigned the same meanings as provided by 42 C.F.R. § 447.45(b).

(c) The secretary of health and environment shall adopt rules and regulations to carry out the provisions of this section, and amendments thereto.

Sec. 2. This act shall take effect and be in force from and after its publication in the statute book.