

**SENATE BILL No. 317**

By Committee on Public Health and Welfare

1-28

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

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

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

16 Sec. 2. For the purposes of this act, the terms "claim" and "clean  
17 claim" shall be assigned the same meanings as provided by 42 C.F.R. §  
18 447.45(b).

19 Sec. 3. The secretary of health and environment shall adopt rules and  
20 regulations to carry out the provisions of section 1, and amendments  
21 thereto.

22 Sec. 4. This act shall take effect and be in force from and after its  
23 publication in the statute book.