

SENATE BILL 723

By Reeves

AN ACT to amend Tennessee Code Annotated, Title 56,  
relative to reimbursement of medical claims.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 56-7-109(b)(1)(B), is amended by deleting the language "twenty-one (21)" and substituting the language "fourteen (14)".

SECTION 2. Tennessee Code Annotated, Section 56-7-109(b)(1), is amended by adding the following as a new subdivision:

(C)

(i) Not later than ten (10) calendar days after receiving a claim by electronic submission for a service that was approved under a health insurance entity's preauthorization process before it was performed, a health insurance entity shall:

(a) If the entire claim was approved under the preauthorization process, pay the total covered amount of the claim; or

(b) If only a portion of the claim was approved under the preauthorization process, pay the covered amount of the portion of the claim that was approved under the preauthorization process and respond to any remaining portion in accordance with subdivision (b)(1)(B).

(ii) For purposes of this subdivision (b)(1)(C), "preauthorization" has the same meaning as in § 56-6-703.

SECTION 3. Nothing in this act applies to the state plan for medical assistance required by Title XIX of the Social Security Act (42 U.S.C. § 1396 et seq.) and administered pursuant to

the TennCare II Medicaid demonstration waiver, as amended, or any successor to the state plan for medical assistance.

SECTION 4. This act shall take effect upon becoming a law, the public welfare requiring it, and applies to claims for payment submitted on or after that date.