

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 687 Session of 2023

INTRODUCED BY HOGAN AND JAMES, MARCH 23, 2023

REFERRED TO COMMITTEE ON HUMAN SERVICES, MARCH 23, 2023

AN ACT

1 Amending the act of June 13, 1967 (P.L.31, No.21), entitled "An
 2 act to consolidate, editorially revise, and codify the public
 3 welfare laws of the Commonwealth," in general powers and
 4 duties of the Department of Public Welfare, providing for
 5 discontinuance of prudent payment.

6 The General Assembly of the Commonwealth of Pennsylvania
 7 hereby enacts as follows:

8 Section 1. The act of June 13, 1967 (P.L.31, No.21), known
 9 as the Human Services Code, is amended by adding a section to
 10 read:

11 Section 217. Discontinuance of Prudent Payment.--(a)
 12 Beginning on the effective date of this section, the department
 13 shall discontinue the practice of prudent payment for claims
 14 submitted by Office of Developmental Programs providers. Nothing
 15 in this section shall affect the department from implementing
 16 other provisions of 42 CFR 447.45 (relating to timely claims
 17 payment).

18 (b) As used in this section, the following words and phrases
 19 shall have the following meanings:

20 "Clean claim" shall have the same meaning as the term does in

1 section 1111.2(f) of the act of May 17, 1921 (P.L.682, No.284),
2 known as The Insurance Company Law of 1921.

3 "Prudent payment" shall mean the practice of paying clean
4 claims within thirty days of receipt, but not sooner, by holding
5 the claim up to twenty-one days from receipt before processing
6 the claims through the weekly financial cycle.

7 Section 2. This act shall take effect immediately.