

110 - Prompt Payment Requirements

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42 CFR 422.520

MA organizations offering PFFS plans must establish prompt payment requirements for deemed providers in their terms and conditions of payment. At a minimum:

- The MA organization must pay 95 percent of the “clean claims” within 30 days of receipt, if they are submitted by or on behalf of a member of a PFFS plan; and
- The MA organization must pay interest on clean claims that are not paid within 30 days in accordance with sections 1816(c)(2)(B) and 1842(c)(2)(B) of the Act.

A clean claim includes the minimum information necessary to adjudicate a claim, not to exceed the information required by Original Medicare. PFFS plans will process all non-clean claims from deemed providers and notify providers of the determination within 60 days of receiving such claims.

MA organizations offering PFFS plans are also required to include a prompt payment provision in the signed contracts or agreements with their direct-contracting providers, the terms of which are developed and agreed to by both the MA organization and the relevant provider. The MA organization is obligated to pay direct-contracting providers under the terms of the contract between the MA organization and the provider.