

CHAPTER NO. 209

SENATE BILL NO. 136

By Kurita, Crowe, Davis

Substituted for: House Bill No. 270

By Williams

AN ACT To amend Tennessee Code Annotated, Title 56 and Title 71, relative to billing and claims procedures of certain managed care organizations.

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

SECTION 1. Tennessee Code Annotated, Title 71, Chapter 5, Part 1, is amended by adding the following as a new section:

Section 71-5-191. (a) Not later than January 1, 2002, the Commissioner of Commerce and Insurance in consultation with the Commissioner of Health shall develop and promulgate by rule a uniform TennCare claims process, which contains standardized instructions for completing the form and creates standardized responses to questions and other information required on the form, for providers and managed care organizations participating in the TennCare program to use in the submission of claims by providers seeking payment. Each managed care organization, or their designee, which participates in the TennCare program may participate in the development of such uniform claims process. The Commissioner of Commerce and Insurance shall notify all such managed care organizations no less than ten (10) days prior to any and all meetings concerning the development of such claims process to enable such organizations to provide input on the development of such claims process. The uniform process shall require that managed care organizations participating in the TennCare program shall not deviate from the uniform process established by rule pursuant to this section unless such deviation is specifically approved in writing by TennCare prior to any change being implemented which might result in a claim being rejected for payment. TennCare shall not approve any changes to standardized instructions that do not relate to using alternative codes to facilitate payment for delivered services. Compliance with this section shall be added as a component of the comptroller's annual audit. In addition, such managed care organizations shall be required to develop and implement procedures to ensure that health care providers are regularly informed and educated by the managed care organization regarding billing and claims processing procedures.

Any managed care organization which fails to comply with this section shall be subject to the penalties set forth at Tennessee Code Annotated, Section 56-32-216 or, in the alternative, Tennessee Code Annotated, Section 56-32-220.

Such rules shall be promulgated in accordance with the provisions of Title 4, Chapter 5.

(b) If the provisions of this section conflict with the provisions of any applicable federal waiver concerning medical assistance services delivered pursuant to Title 71,

Chapter 5, Part 1, then the Commissioner of Health is directed to seek an appropriate modification or amendment to such waiver to permit the implementation of this section.

(c) The provisions of this section shall be construed so as to be consistent with the terms of any applicable federal waiver for the provision of medical assistance.

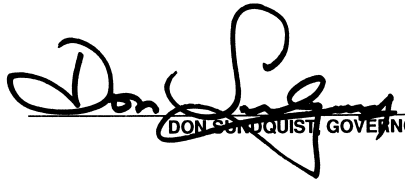
SECTION 2. This act shall take effect July 1, 2001, the public welfare requiring it.

PASSED: May 10, 2001


JOHN S. WILDER
SPEAKER OF THE SENATE


JIMMY NAIFEH, SPEAKER
HOUSE OF REPRESENTATIVES

APPROVED this 15th day of May 2001


DON SUNDQUIST, GOVERNOR