

S 2551

Prompt Payment of Health Benefits Claims Act of 2006

Congress: 109 (2005–2007, Ended)

Chamber: Senate

Policy Area: Health

Introduced: Apr 5, 2006

Current Status: Read twice and referred to the Committee on Health, Education, Labor, and Pensions. (text of measure

Latest Action: Read twice and referred to the Committee on Health, Education, Labor, and Pensions. (text of measure as introduced: CR S2912-2914) (Apr 5, 2006)

Official Text: <https://www.congress.gov/bill/109th-congress/senate-bill/2551>

Sponsor

Name: Sen. Menendez, Robert [D-NJ]

Party: Democratic • **State:** NJ • **Chamber:** Senate

Cosponsors (2 total)

| Cosponsor | Party / State | Role | Date Joined |
|----------------------------------|---------------|------|--------------|
| Sen. Lautenberg, Frank R. [D-NJ] | D · NJ | | Apr 5, 2006 |
| Sen. Johnson, Tim [D-SD] | D · SD | | Jun 27, 2006 |

Committee Activity

| Committee | Chamber | Activity | Date |
|--|---------|-------------|-------------|
| Health, Education, Labor, and Pensions Committee | Senate | Referred To | Apr 5, 2006 |

Subjects & Policy Tags

Policy Area:

Health

Related Bills

No related bills are listed.

Prompt Payment of Health Benefits Claims Act of 2006 - Amends the Employee Retirement Income Security Act of 1974 (ERISA) and the Public Health Service Act to require group health plans and issuers of group health insurance to: (1) acknowledge receipt of claims within ten days; (2) notify claimants, within ten days, of any deficiency in submitted claims and of additional information necessary to correct the deficiency; (3) pay clean and uncontested claims and any uncontested portions of claims within 14 days if submitted electronically or within 30 days otherwise; and (4) pay escalating, monthly interest for failing to pay claims within such periods.

Provides that claims are deemed clean ten days after receipt if no notice of any deficiency is given to the claimant. Prohibits retaliation by the plan or issuer for claimants exercising rights under this Act. Requires the Secretary of Health and Human Services to impose fines for willful and knowing violations of this Act or patterns of repeated violations of this Act.

Amends the Public Health Service Act to apply the provisions of this Act to plans issued in the individual market.

Amends the Social Security Act to apply these requirements to Medicare prescription drug plans, Medicare Advantage prescription drug plans, and Medicaid managed care plans.

Allows state laws that provide equal or more stringent requirements, standards, or implementation specifications than imposed under this Act.

Actions Timeline

- **Apr 5, 2006:** Introduced in Senate
- **Apr 5, 2006:** Sponsor introductory remarks on measure. (CR S2911-2912)
- **Apr 5, 2006:** Read twice and referred to the Committee on Health, Education, Labor, and Pensions. (text of measure as introduced: CR S2912-2914)

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