

## PENALTY FOR DELAY OF MEDICAL

### CLAIMS REIMBURSEMENT

All payors (carriers, self-insured employers) are reminded of the contents of Section 25-5-77(h), as extracted below, regarding the reimbursement of undisputed medical claims.

(h) All undisputed medical reimbursements or payments shall be made within 25 working days of receipt of claims in the form specified in Section 25-5-3. There shall be added to any undisputed medical invoice which is not paid within 25 working days an amount equal to 10 percent of the unpaid balance. If the employer or insurer responsible for payment of the claim fails to add the additional 10 percent to the claim as required by this section, the person, firm, corporation, or partnership providing the medical service for which payment has been delayed beyond the period specified in this section may file a written complaint stating that fact with the director. Upon investigation, if the director determines that the facts stated in the complaint are true, then in that event the director shall order the employer or insurer to pay to the provider the amount of the claim and any applicable penalty, and in addition may assess a civil monetary penalty in amount not to exceed five hundred dollars (\$500) against the employer or insurer, payment of which shall be made to the director within 30 days of the notice of assessment.