

CHAPTER 40**(HB 551)**

AN ACT relating to claims payments to administrators of pharmacy benefits.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

➔SECTION 1. A NEW SECTION OF KRS 304.17A-700 TO 304.17A-730 IS CREATED TO READ AS FOLLOWS:

- (1) *As used in this section, "insurer" has the same meaning as in KRS 304.17A-005.*
- (2) *Any contract between an insurer and its pharmacy benefits administrator that requires claims to be submitted electronically shall require that payment is to be made electronically to the participating provider or its designee for clean claims submitted electronically, if electronic payment is requested by the provider.*
- (3) *Any contract between an insurer and a participating pharmacy or its contracting agency that requires claims to be submitted electronically shall require that payment is to be made electronically to the participating provider or its designee for clean claims submitted electronically, if electronic payment is requested by the provider.*
- (4) *An electronic claim must be submitted in the form required by the insurer if the participating provider or designee agrees to accept claims details for these payments electronically and provides accurate electronic funds transfer information to the carrier.*
- (5) *All electronic claims shall be in compliance with the provisions of 45 C.F.R. Part 142.*
- (6) *The provisions of this section shall apply to all contracts in subsections (2) and (3) of this section that are entered into, amended, extended, or renewed on or after January 1, 2009.*

Signed by Governor April 9, 2008.