



## **IMPORTANT CHANGES TO THE TEXAS HEALTH INSURANCE POOL PROMPT PAY PENALTY PROGRAM**

As you may know, the Texas Health Insurance Pool will be dissolved effective September 1, 2015. HB 2064 (81R), which requires payment of part of the statutory prompt pay penalties to the Pool, however, will remain in effect. The Texas Department of Insurance will be taking over the responsibility for collecting the Pool's share of prompt pay penalties. Insurers and HMOs **must** continue to file monthly reports and pay the Pool's share of prompt pay penalties to TDI.

Beginning August 2015, all penalty payments and reports should be submitted to TDI, as indicated on the attached reporting form. At that time, reports and penalties should no longer be submitted to the Pool.

As a reminder, a portion of the late penalties payable under Sec. 843.342 and 1301.137 of the Texas Insurance Code are to be paid to the Pool as follows, regardless of the type of underlying insurance coverage associated with the late claim payment:

- 1) **Facility Claims:** 50% of the entire penalty, including any interest.
- 2) **Non-Facility Claims:** The 18% interest portion of the penalty associated with claims paid more than 90 days late.

These amounts will now be paid to TDI. Please contact the Pool with any questions about these changes: **[poolinfo@txhealthpool.org](mailto:poolinfo@txhealthpool.org)**