



HMO/INSURER PROMPT PAY PENALTY REPORTING FORM
Prompt Pay Penalty Program

Company Name: _____

NAIC#: _____ Reported Month: _____ Report and Payment Due Date: _____
(Due 60 Days after Report Month)

AMOUNTS TO BE PAID TO TDI:

1) Facility Late Paid and Underpaid Claims--

Table with 2 columns: Description (50% of total penalties, under Sections 843.342 and 1301.137, Texas Insurance Code, for clean claims paid during Reported Month (Worksheet Section I C)) and Amount

2) Non-Facility Late Paid Claims

Table with 2 columns: Description (Total interest penalties, under Sections 843.342 (c) and 1301.137 (c), Texas Insurance Code, for clean claims paid during Reported Month (Worksheet Section II)) and Amount

Table with 2 columns: TOTAL PENALTIES TO BE PAID TO TDI FOR REPORTED MONTH and Amount

I hereby certify that the above information is, to the best of my knowledge and belief, complete and accurate.

Signature of Authorized Person _____ Date _____

Print Name and Title _____ Email Address _____

Notes:

- 1) TDI Tax ID Number: 74-6000121
2) Submit Reporting Form by Email to PromptPay@tdi.texas.gov
3) Penalty Payment Methods:
a) Mailing Address for Checks: MC9999 – Prompt Pay, Texas Department of Insurance, PO Box 149104, Austin, Texas 78714-9104 (please mail an extra copy of the reporting form with check payments)
b) For Wires/ACH Payments (Minimum Amount - \$100,000): Call TDI for instructions at 512.676.6170 (submit an extra copy of reporting form for Wire/ACH payments to Revenue@tdi.texas.gov)
4) This reporting form is available at www.tdi.texas.gov/hmo/mcqa/promptpay.html

I. FACILITY CLAIMS ONLY: PENALTY CALCULATION FOR LATE PAID AND UNDERPAID CLAIMS* (Sections 843.342 & 1301.137, Texas Insurance Code)	
A. Late Paid Claim (Sections 843.342 (a), (b) & (c) & 1301.137 (a), (b) & (c))	
1. Claim paid after the required determination date, but before the 46th day after that date, the lesser of 50% of the difference between billed charges and the contracted rate or \$100,000.	
2. Claim paid on or after the 46th day but before the 91st day after the required determination date, the lesser of 100% of the difference between billed charges and the contracted rate or \$200,000.	
3. Claim paid on or after the 91st day after the required determination date: the lesser of 100% of the difference between billed charges and the contracted rate or \$200,000; plus 18% annual interest on that amount.	
4. TOTAL PENALTIES FOR LATE PAID CLAIMS	
B. Underpaid Claim For Which Balance of Claim is Paid Late (Sections 843.342 (d), (e) & (f) and 1301.137 (d), (e) & (f)), penalty amount in addition to payment of the balance of the contracted rate owed	
1. Contract rate balance paid after the required determination date, but before the 46th day after that date, the lesser of 50% of the unpaid balance or \$100,000.	
2. Contract rate balance paid on or after the 46th day but before the 91st day after the required determination date, the lesser of 100% of the unpaid balance or \$200,000.	
3. Contract rate balance paid on or after the 91st day after the required determination date: the lesser of 100% of the unpaid balance or \$200,000; plus 18% annual interest on that amount.	
4. TOTAL PENALTIES ON UNDERPAID CLAIMS	
C. TOTAL PENALTIES ON LATE PAID AND UNDERPAID CLAIMS (=I.A.4 + I.B.4)	

II. NON-FACILITY CLAIMS ONLY: PENALTY CALCULATION FOR LATE PAID CLAIMS* (Sections 843.342 (c) and 1301.137 (c), Texas Insurance Code)	
Interest only on clean claim paid on or after the 91st day after the required determination date. (Do not include non-interest penalties on late paid claims; do not include interest or other penalties on underpaid claims.)	

*** Do not include contract rate amount in penalties paid. Report applies only to clean claims or clean claim balances paid in the reported month.**

NOTICE ABOUT CERTAIN INFORMATION LAWS AND PRACTICES

With few exceptions, you are entitled to be informed about the information that the Texas Department of Insurance (TDI) collects about you. Under sections 552.021 and 552.023 of the Texas Government Code, you have a right to review or receive copies of information about yourself, including private information. However, TDI may withhold information for reasons other than to protect your right to privacy. Under section 559.004 of the Texas Government Code, you are entitled to request that TDI correct information that TDI has about you that is incorrect. For more information about the procedure and costs for obtaining information from TDI or about the procedure for correcting information kept by TDI, please contact the Agency Counsel Section of TDI’s General Counsel Division at (512) 676-6551 or visit the Corrections Procedure section of TDI’s website at www.tdi.texas.gov.