

**ALABAMA DEPARTMENT OF INDUSTRIAL RELATIONS  
ADMINISTRATIVE CODE**

**Rule**

Division: Workers' Compensation  
Chapter: Utilization Management and Bill Screening  
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**480-5-5-.03 TIMELY PAYMENT OF UNDISPUTED MEDICAL CLAIMS.**

(1) 10 Percent (10%) Penalty:

(a) Appropriate reimbursement pursuant to Rule 480-5-5-.04 for undisputed medical services reasonably performed and billed in accordance with Code of Alabama, 1975, §25-5-3 shall be paid to the provider within 25 working days of receipt of an approved service claim form pursuant to Rule 480-5-5-.22. A request for any additional documentation by a payor or agent shall be made by the payor or agent to the provider within fourteen (14) working days of receipt of the approved service claim form by the payor or agent. A request for documentation shall be made by the payor or agent to the provider via phone with written follow up or facsimile. If the documentation has not been provided to the requesting party within 14 working days of the receipt of the phoned request, the 25 working day deadline for payment shall not begin to run until the requested documentation is provided to the requesting party. If the requested documentation has been provided to the requesting party within 14 working days of the receipt of the phoned request, the 25 working day deadline for payment shall begin to run upon receipt of the requested documentation by the requesting party.

(b) There shall be added to any undisputed service claim form which is not paid within 25 working days an amount equal to 10 percent (10%) of the unpaid balance pursuant to Code of Alabama, 1975, §25-5-77(h).

(c) Failure to make timely reimbursement to any provider may subject the payor to an administrative fine of up to \$500.00 (five hundred dollars), payable within 30 (thirty) days of assessment by the Director of the Department, pursuant to Code of Alabama, 1975, §25-5-77(h).

Author: Workers' Compensation Medical Services Board  
Statutory Authority: Code of Alabama, 1975, §25-5-293 and  
1994 Alabama Act 638  
History: Effective September 12, 1996. Amended July 8, 2002.