

By Mr. Olver, a petition (accompanied by bill, Senate, No. 701) of John W. Olver, John P. Burke, Nicholas J. Costello, George Bachrach, Richard A. Kraus and Salvatore R. Albano for legislation relative to timely payments by the Commonwealth for human service programs. Human Services and Elderly Affairs.

The Commonwealth of Massachusetts

In the Year One Thousand Nine Hundred and Eighty-Six.

AN ACT PROVIDING FOR TIMELY PAYMENTS FOR HUMAN SERVICE PROGRAMS.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1. Chapter 29 of the General Laws is hereby amended
2 by inserting after section 23 the following section: —

3 Section 23A. Notwithstanding the provisions of sections twenty-
4 two or sixty-one of chapter twenty-nine and subject to the provi-
5 sions of sections twenty-four and twenty-five of chapter twenty-
6 nine, rules and regulations of the comptroller concerning such
7 advancements, or advancements made pursuant to section twenty
8 of chapter eighteen B, shall provide for a system of semi-monthly
9 payments by officers receiving such advancements to organizations
10 which provide social, educational or rehabilitative services under
11 contract to the Commonwealth, subject to the following limita-
12 tions:

13 1) semi-monthly payments shall be made, in accordance with a
14 schedule fixed by contract, on the basis of projected expenses or
15 services; 2) monthly, and at the end of each contract, payment shall
16 be adjusted, on the basis of a voucher or other claim for payment, to
17 reflect the actual cost or extent of services rendered.

1 SECTION 2. No later than one hundred and twenty days after
2 the effective date of this act, the comptroller shall promulgate rules
3 and regulations in compliance with section 23A of Chapter 20 of the
4 General Laws as inserted by Section 1 of this act.

1 SECTION 3. The comptroller shall, within one year of the effective date of this act, report to the clerk of the House of Representatives and the Senate on the extent to which the revisions of this act have been implemented.

1 SECTION 4. In order to participate in the timely payments procedure, providers must be properly incorporated and currently on record with the Secretary of State (the corporation is in compliance with all state and federal laws and regulations pertaining to its fiduciary responsibility). Every such qualified provider shall be eligible to participate in the timely payments procedure on the condition that at the end of each billing period, documentation is timely, complete, and properly prepared as required by the specific contract agreement and that no conclusive audit findings have demonstrated that the documentation submitted in support of payment was substantially erroneous or fraudulent.

12 If a provider is discontinued from the timely payments procedure, they must wait one year to reapply for eligibility in the system and at that time they must show proof of ability to comply with all the requirements in order to qualify.