

SENATE BILL 154

C3

(11r0752)

ENROLLED BILL

— Finance/Health and Government Operations —

Introduced by **Senators Colburn ~~and Glassman~~, Glassman, Edwards, Astle, Garagiola, Kelley, Kittleman, Klausmeier, Middleton, and Pugh**

Read and Examined by Proofreaders:

Proofreader.

Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this

_____ day of _____ at _____ o'clock, _____ M.

President.

CHAPTER _____

1 AN ACT concerning

2 **Health Insurance – Ambulance Service Providers – ~~Assignment of Benefits~~**
3 ***Direct Reimbursement***

4 FOR the purpose of requiring health insurers, nonprofit health service plans, and
5 health maintenance organizations to reimburse an ambulance service provider
6 directly for certain covered services under certain circumstances; providing that
7 an insured, a subscriber, or an enrollee of certain health insurance carriers may
8 not be liable to certain ambulance service providers for certain services under
9 certain circumstances; prohibiting certain ambulance service providers from
10 taking certain actions against an insured, a subscriber, or an enrollee under
11 certain circumstances; authorizing the ambulance service providers to collect
12 certain payments from an insured, a subscriber, or an enrollee under certain
13 circumstances; ~~requiring a health maintenance organization to reimburse~~
14 ~~certain ambulance service providers in accordance with certain provisions of~~

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.

Italics indicate opposite chamber/conference committee amendments.



1 ~~law; prohibiting a certain allowed amount for a~~ *prohibiting a health*
 2 *maintenance organization's allowed amount for certain health care services*
 3 *provided by a certain ambulance service provider from being less than a certain*
 4 *amount, notwithstanding certain provisions of law; prohibiting an insurer's or*
 5 *nonprofit health service plan's allowed amount for a certain health care service*
 6 *provided by a certain ambulance service provider from being less than a certain*
 7 *amount; requiring* authorizing the Maryland Insurance Commissioner to adopt
 8 regulations to implement certain provisions of this Act; requiring the Maryland
 9 Health Care Commission to provide certain reports to certain legislative
 10 committees on or before certain dates; providing for a delayed effective date;
 11 providing for the termination of this Act; providing for the application of this
 12 Act; defining certain terms; and generally relating to reimbursement by
 13 insurers, nonprofit health service plans, and health maintenance organizations
 14 for transportation by ambulance.

15 BY adding to
 16 Article – Health – General
 17 Section 19–706(kkkk)
 18 Annotated Code of Maryland
 19 (2009 Replacement Volume and 2010 Supplement)

20 BY adding to
 21 Article – Insurance
 22 Section 15–138
 23 Annotated Code of Maryland
 24 (2006 Replacement Volume and 2010 Supplement)

25 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
 26 MARYLAND, That the Laws of Maryland read as follows:

27 **Article – Health – General**

28 19–706.

29 **(KKKK) THE PROVISIONS OF § 15–138 OF THE INSURANCE ARTICLE**
 30 **APPLY TO HEALTH MAINTENANCE ORGANIZATIONS.**

31 **Article – Insurance**

32 **15–138.**

33 **(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE**
 34 **MEANINGS INDICATED.**

35 **(2) “AMBULANCE” MEANS ANY CONVEYANCE DESIGNED AND**
 36 **CONSTRUCTED OR MODIFIED AND EQUIPPED TO BE USED, MAINTAINED, OR**

1 OPERATED TO TRANSPORT INDIVIDUALS WHO ARE SICK, INJURED, WOUNDED,
2 OR OTHERWISE INCAPACITATED.

3 (3) "AMBULANCE SERVICE PROVIDER" MEANS A PROVIDER OF
4 AMBULANCE SERVICES THAT:

5 (I) IS OWNED, OPERATED, OR UNDER THE JURISDICTION OF
6 A POLITICAL SUBDIVISION OF THE STATE OR A VOLUNTEER FIRE COMPANY OR
7 VOLUNTEER RESCUE SQUAD; OR

8 (II) HAS CONTRACTED TO PROVIDE AMBULANCE SERVICES
9 FOR A POLITICAL SUBDIVISION OF THE STATE.

10 (4) "ASSIGNMENT OF BENEFITS" MEANS THE TRANSFER BY AN
11 INSURED, A SUBSCRIBER, OR AN ENROLLEE OF HEALTH CARE COVERAGE
12 REIMBURSEMENT BENEFITS OR OTHER RIGHTS UNDER A HEALTH INSURANCE
13 POLICY OR CONTRACT.

14 (5) "CARRIER" MEANS:

15 (I) AN INSURER THAT PROVIDES BENEFITS ON AN
16 EXPENSE-INCURRED BASIS;

17 (II) A NONPROFIT HEALTH SERVICE PLAN; OR

18 (III) A HEALTH MAINTENANCE ORGANIZATION.

19 (6) "NONPREFERRED PROVIDER" HAS THE MEANING STATED IN §
20 14-201 OF THIS ARTICLE.

21 (7) "PREFERRED PROVIDER" HAS THE MEANING STATED IN §
22 14-201 OF THIS ARTICLE.

23 (8) "PREFERRED PROVIDER INSURANCE POLICY" HAS THE
24 MEANING STATED IN § 14-201 OF THIS ARTICLE.

25 (B) THIS SECTION APPLIES TO INDIVIDUAL OR GROUP POLICIES OR
26 CONTRACTS ISSUED OR DELIVERED IN THE STATE BY A CARRIER.

27 ~~(B)~~ (C) (1) A EXCEPT FOR A HEALTH MAINTENANCE
28 ORGANIZATION, A CARRIER SHALL REIMBURSE DIRECTLY AN AMBULANCE
29 SERVICE PROVIDER THAT OBTAINS AN ASSIGNMENT OF BENEFITS FROM AN
30 INSURED, A SUBSCRIBER, OR AN ENROLLEE DIRECTLY FOR COVERED SERVICES

1 PROVIDED TO THE INSURED, SUBSCRIBER, ENROLLEE, OR ANY OTHER
2 INDIVIDUAL COVERED BY A POLICY OR CONTRACT ISSUED BY THE CARRIER.

3 (2) A HEALTH MAINTENANCE ORGANIZATION SHALL REIMBURSE
4 AN AMBULANCE SERVICE PROVIDER DIRECTLY FOR COVERED SERVICES
5 PROVIDED TO A SUBSCRIBER, ENROLLEE, OR ANY OTHER INDIVIDUAL COVERED
6 BY A POLICY OR CONTRACT ISSUED BY THE HEALTH MAINTENANCE
7 ORGANIZATION.

8 ~~(E)~~ (D) (1) THIS SUBSECTION APPLIES TO AN AMBULANCE SERVICE
9 PROVIDER THAT RECEIVES DIRECT REIMBURSEMENT UNDER SUBSECTION ~~(B)~~
10 (C) OF THIS SECTION.

11 (2) EXCEPT AS PROVIDED IN PARAGRAPH (4) OF THIS
12 SUBSECTION, AN INSURED, A SUBSCRIBER, OR AN ENROLLEE MAY NOT BE
13 LIABLE TO AN AMBULANCE SERVICE PROVIDER FOR COVERED SERVICES.

14 (3) AN AMBULANCE SERVICE PROVIDER OR A REPRESENTATIVE
15 OF THE AMBULANCE SERVICE PROVIDER MAY NOT:

16 (I) COLLECT OR ATTEMPT TO COLLECT FROM AN INSURED,
17 A SUBSCRIBER, OR AN ENROLLEE OF A CARRIER ANY MONEY OWED TO THE
18 AMBULANCE SERVICE PROVIDER BY THE CARRIER FOR COVERED SERVICES
19 RENDERED TO THE INSURED, SUBSCRIBER, OR ENROLLEE BY THE AMBULANCE
20 SERVICE PROVIDER; OR

21 (II) MAINTAIN ANY ACTION AGAINST AN INSURED, A
22 SUBSCRIBER, OR AN ENROLLEE OF A CARRIER TO COLLECT OR ATTEMPT TO
23 COLLECT ANY MONEY OWED TO THE AMBULANCE SERVICE PROVIDER BY THE
24 CARRIER FOR COVERED SERVICES RENDERED TO THE INSURED, SUBSCRIBER,
25 OR ENROLLEE BY THE AMBULANCE SERVICE PROVIDER.

26 (4) AN AMBULANCE SERVICE PROVIDER OR A REPRESENTATIVE
27 OF THE AMBULANCE SERVICE PROVIDER MAY COLLECT OR ATTEMPT TO
28 COLLECT FROM AN INSURED, A SUBSCRIBER, OR AN ENROLLEE OF A CARRIER:

29 (I) ANY COPAYMENT, DEDUCTIBLE, OR COINSURANCE
30 AMOUNT OWED BY THE INSURED, SUBSCRIBER, OR ENROLLEE FOR COVERED
31 SERVICES RENDERED TO THE INSURED, SUBSCRIBER, OR ENROLLEE BY THE
32 AMBULANCE SERVICE PROVIDER;

33 (II) IF MEDICARE IS THE PRIMARY INSURER AND THE
34 CARRIER IS THE SECONDARY INSURER, ANY AMOUNT UP TO THE
35 MEDICARE-APPROVED OR LIMITING AMOUNT, AS SPECIFIED UNDER THE

1 FEDERAL SOCIAL SECURITY ACT, THAT IS NOT OWED TO THE AMBULANCE
 2 SERVICE PROVIDER BY MEDICARE OR THE CARRIER AFTER COORDINATION OF
 3 BENEFITS HAS BEEN COMPLETED, FOR ~~MEDICARE COVERED~~ MEDICARE
 4 COVERED SERVICES RENDERED TO THE INSURED, SUBSCRIBER, OR ENROLLEE
 5 BY THE AMBULANCE SERVICE PROVIDER; AND

6 (III) ANY PAYMENT OR CHARGE FOR SERVICES THAT ARE
 7 NOT COVERED SERVICES.

8 ~~(D)~~ (E) (1) ~~A HEALTH MAINTENANCE ORGANIZATION SHALL~~
 9 ~~REIMBURSE AN AMBULANCE SERVICE PROVIDER THAT RECEIVES DIRECT~~
 10 ~~REIMBURSEMENT UNDER SUBSECTION (B) OF THIS SECTION AND IS NOT UNDER~~
 11 ~~WRITTEN CONTRACT WITH THE HEALTH MAINTENANCE ORGANIZATION IN~~
 12 ~~ACCORDANCE WITH § 19-710.1 OF THE HEALTH — GENERAL ARTICLE~~
 13 ~~NOTWITHSTANDING § 19-710.1 OF THE HEALTH — GENERAL ARTICLE, A~~
 14 ~~HEALTH MAINTENANCE ORGANIZATION’S ALLOWED AMOUNT FOR A COVERED~~
 15 ~~HEALTH CARE SERVICE PROVIDED BY AN AMBULANCE SERVICE PROVIDER THAT~~
 16 ~~IS NOT UNDER WRITTEN CONTRACT WITH THE HEALTH MAINTENANCE~~
 17 ~~ORGANIZATION MAY NOT BE LESS THAN THE ALLOWED AMOUNT PAID TO AN~~
 18 ~~AMBULANCE SERVICE PROVIDER THAT IS UNDER WRITTEN CONTRACT WITH THE~~
 19 ~~HEALTH MAINTENANCE ORGANIZATION FOR THE SAME COVERED SERVICE IN~~
 20 ~~THE SAME GEOGRAPHIC REGION, AS DEFINED BY THE CENTERS FOR MEDICARE~~
 21 ~~AND MEDICAID SERVICES.~~

22 (2) AN INSURER’S OR NONPROFIT HEALTH SERVICE PLAN’S
 23 ALLOWED AMOUNT FOR A HEALTH CARE SERVICE COVERED UNDER A
 24 PREFERRED PROVIDER INSURANCE POLICY AND PROVIDED BY AN AMBULANCE
 25 SERVICE PROVIDER THAT IS A NONPREFERRED PROVIDER MAY NOT BE LESS
 26 THAN THE ALLOWED AMOUNT PAID TO AN AMBULANCE SERVICE PROVIDER WHO
 27 IS A PREFERRED PROVIDER FOR THE SAME HEALTH CARE SERVICE IN THE SAME
 28 GEOGRAPHIC REGION, AS DEFINED BY THE CENTERS FOR MEDICARE AND
 29 MEDICAID SERVICES.

30 ~~(E)~~ (F) THE COMMISSIONER SHALL MAY ADOPT REGULATIONS TO
 31 IMPLEMENT THIS SECTION.

32 SECTION 2. AND BE IT FURTHER ENACTED, That:

33 (a) The Maryland Health Care Commission shall report, in accordance with §
 34 2-1246 of the State Government Article, to the Senate Finance Committee and the
 35 House Health and Government Operations Committee on the changes occurring after
 36 the effective date of this Act, for services provided by ambulance service providers, in:

37 (1) the number of claims received;

1 (2) the number of claims paid; and

2 (3) the amount of claims paid.

3 (b) In its report, the Commission shall report separately on:

4 (1) the changes for services provided by in-network ambulance service
5 providers; and

6 (2) the changes for services provided by out-of-network ambulance
7 service providers.

8 (c) The Commission shall provide an interim report on or before January 1,
9 2014, and a final report on or before January 1, 2015.

10 SECTION ~~2~~ 3. AND BE IT FURTHER ENACTED, That this Act shall apply to
11 all policies, contracts, and health benefit plans issued, delivered, or renewed in the
12 State on or after ~~October 1, 2011~~ January 1, 2012.

13 SECTION ~~3~~ 4. AND BE IT FURTHER ENACTED, That this Act shall take
14 effect ~~October 1, 2011~~ January 1, 2012. It shall remain effective for a period of 3 years
15 and 6 months and, at the end of June 30, 2015, with no further action required by the
16 General Assembly, this Act shall be abrogated and of no further force and effect.

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.