# **SENATE . . . . . . . . . . . . . . . . . . No. 731**

## The Commonwealth of Massachusetts

#### PRESENTED BY:

#### Walter F. Timilty

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act relative to ambulance service reimbursement.

#### PETITION OF:

NAME:	DISTRICT/ADDRESS:	
Walter F. Timilty	Norfolk, Bristol and Plymouth	
Ryan C. Fattman	Worcester and Norfolk	2/25/2021
Brian W. Murray	10th Worcester	2/25/2021
Angelo J. Puppolo, Jr.	12th Hampden	2/25/2021
Adam J. Scanlon	14th Bristol	3/1/2021
Joanne M. Comerford	Hampshire, Franklin and Worcester	3/3/2021
Michael O. Moore	Second Worcester	3/4/2021

#### SENATE DOCKET, NO. 773 FILED ON: 2/5/2021

## **SENATE . . . . . . . . . . . . . . . . . . No. 731**

By Mr. Timilty, a petition (accompanied by bill, Senate, No. 731) of Walter F. Timilty, Ryan C. Fattman, Brian W. Murray, Angelo J. Puppolo, Jr. and other members of the General Court for legislation relative to ambulance service reimbursement. Financial Services.

#### [SIMILAR MATTER FILED IN PREVIOUS SESSION SEE SENATE, NO. 655 OF 2019-2020.]

### The Commonwealth of Massachusetts

In the One Hundred and Ninety-Second General Court (2021-2022)

An Act relative to ambulance service reimbursement.

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

- 1 Chapter 176D of the General Laws is hereby amended by inserting after section 3B the
- 2 following section:-
- 3 Section 3C. (a) As used in this section, the following words shall, unless the context

4 clearly requires otherwise, have the following meanings:-

- 5 "Ambulance service provider", a person or entity licensed by the department of public
- 6 health under section 6 of chapter 111C to establish or maintain an ambulance service except non-
- 7 profit corporations licensed to operate critical care ambulance services that perform both ground
- 8 and air transports.

9 "Emergency ambulance services", emergency services that an ambulance service 10 provider is authorized to render under its ambulance service license when a condition or situation 11 in which an individual has a need for immediate medical attention, or where the potential for 12 such need is perceived by the individual, a bystander or an emergency medical services provider.

13 "Insurance policy" and "insurance contract", any policy, contract, agreement, plan or 14 certificate of insurance issued, delivered or renewed within the commonwealth that provides 15 coverage for expenses incurred by an insured for services rendered by an ambulance service 16 provider.

17 "Insured", an individual entitled to ambulance services benefits under an insurance policy18 or insurance contract.

19 "Insurer", a person as defined in section 1 of chapter 176D; any health maintenance 20 organization as defined in section 1 of chapter 176G; a non-profit hospital service corporation 21 organized under chapter 176A; any organization as defined in section 1 of chapter 176I that 22 participates in a preferred provider arrangement also as defined in said section 1 of said chapter 23 176I; any carrier offering a small group health insurance plan under chapter 176J; any company 24 as defined in section 1 chapter 175; any employee benefit trust; any self-insurance plan, and any 25 company certified under section 34A of chapter 90 and authorized to issue a policy of motor 26 vehicle liability insurance under section 113A of chapter 175 that provides insurance for the 27 expense of medical coverage.

28 "Municipally Established Ambulance Rates", rates for emergency ambulance service
29 established annually by a municipality for the current procedure codes and definitions for

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ambulance service published by the Centers for Medicare and Medicaid Services under Title
XVIII of the Social Security Act.

32 (b) Notwithstanding any general or special provision of law to the contrary, in any instance in which an ambulance service provider provides an emergency ambulance service to an 33 34 insured but is not an ambulance service provider under contract to the insurer maintaining or 35 providing the insured's insurance policy or insurance contract, the insurer maintaining or 36 providing such insurance policy or insurance contract shall pay the ambulance service provider 37 directly and promptly for the emergency ambulance service rendered to the insured. Such 38 payment shall be made to the ambulance service provider notwithstanding that the insured's 39 insurance policy or insurance contract contains a prohibition against the insured assigning 40 benefits thereunder so long as the insured executes an assignment of benefits to the ambulance 41 service provider and such payment shall be made to the ambulance service provider in the event 42 an insured is either incapable or unable as a practical matter to execute an assignment of benefits 43 under an insurance policy or insurance contract pursuant to which an assignment of benefits is 44 not prohibited, or in connection with an insurance policy or insurance contract that contains a 45 prohibition against any such assignment of benefits. An ambulance service provider shall not be 46 considered to have been paid for an emergency ambulance service rendered to an insured if the 47 insurer makes payment for the emergency ambulance service to the insured. An ambulance 48 service provider shall have a right of action against an insurer that fails to make a payment to it 49 under this subsection.

(c) Payment to an ambulance service provider under subsection (b) shall be at a rate
equal to the rate established by the municipality from which the patient was transported.

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(d) Municipalities shall report their municipally established ambulance rates to CHIA
that are in effect as of June 30, 2019; and to CHIA annually on or before June 30 to be included
in the CHIA Transparency Initiative.

(e) Municipalities shall not increase their municipally established ambulance rates by a
percentage that exceeds the current Health Care Cost Growth Benchmark set by the Health
Policy Commission unless approved by the secretary of health and human services.

(f) An ambulance service provider receiving payment for an ambulance service in accordance with subsections (b) and (c) shall be deemed to have been paid in full for the ambulance service provided to the insured, and shall have no further right or recourse to further bill the insured for said ambulance service with the exception of coinsurance, co-payments or deductibles for which the insured is responsible under the insured's insurance policy or insurance contract.

(g) No term or provision of this section 3C shall be construed as limiting or adversely
affecting an insured's right to receive benefits under any insurance policy or insurance contract
providing insurance coverage for ambulance services. No term or provision of this section 3C
shall create an entitlement on behalf of an insured to coverage for ambulance services if the
insured's insurance policy or insurance contract provides no coverage for ambulance services".

(h) A municipality may appeal to the secretary for a municipally established ambulance rate increase that is in excess of the current Health Care Cost Benchmark. There shall be an ambulance service advisory council to advise the secretary on such requests. The council shall be appointed by the secretary and consist of the following members or a designee: (i) the secretary of public safety and security; (ii) the commissioner of the group insurance commission; (iii) a

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74	representative of the Fire Chiefs Association of Massachusetts; (iv) the president of the
75	Massachusetts Municipal Association; (v) the president of the Massachusetts Association of
76	Health Plans, Inc.; (vi) the president of Blue Cross and Blue Shield of Massachusetts (vii) the
77	president of the Professional Fire Fighters of Massachusetts; (viii) a representative of the
78	Massachusetts Ambulance Association, Incorporated; and (ix) the president of a commercial
79	insurer. The council shall make recommendations for rate increases in excess of the current
80	Health Care Cost Benchmark that consider (A) cost differences associated with differences in
81	geography that impact services; (B) differences in distances travelled for services; (C) the actual
82	cost of providing services and readiness; (D) quality of care; (E) any new costs for compliance
83	with new state or federal statutory or regulatory compliance.