

## Chapter 425

(Senate Bill 154)

AN ACT concerning

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

FOR the purpose of requiring health insurers, nonprofit health service plans, and health maintenance organizations to reimburse an ambulance service provider directly for certain covered services under certain circumstances; providing that an insured, a subscriber, or an enrollee of certain health insurance carriers may not be liable to certain ambulance service providers for certain services under certain circumstances; prohibiting certain ambulance service providers from taking certain actions against an insured, a subscriber, or an enrollee under certain circumstances; authorizing the ambulance service providers to collect certain payments from an insured, a subscriber, or an enrollee under certain circumstances; ~~requiring a health maintenance organization to reimburse certain ambulance service providers in accordance with certain provisions of law; prohibiting a certain allowed amount for a~~ *prohibiting a health maintenance organization's allowed amount for certain health care services provided by a certain ambulance service provider from being less than a certain amount, notwithstanding certain provisions of law; prohibiting an insurer's or nonprofit health service plan's allowed amount for a certain health care service provided by a certain ambulance service provider from being less than a certain amount; requiring* authorizing the Maryland Insurance Commissioner to adopt regulations to implement certain provisions of this Act; requiring the Maryland Health Care Commission to provide certain reports to certain legislative committees on or before certain dates; providing for a delayed effective date; providing for the termination of this Act; providing for the application of this Act; defining certain terms; and generally relating to reimbursement by insurers, nonprofit health service plans, and health maintenance organizations for transportation by ambulance.

BY adding to

Article – Health – General  
Section 19–706(kkkk)  
Annotated Code of Maryland  
(2009 Replacement Volume and 2010 Supplement)

BY adding to

Article – Insurance  
Section 15–138  
Annotated Code of Maryland

(2006 Replacement Volume and 2010 Supplement)

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

**Article – Health – General**

19–706.

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

**Article – Insurance**

15–138.

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

**(2) “AMBULANCE” MEANS ANY CONVEYANCE DESIGNED AND CONSTRUCTED OR MODIFIED AND EQUIPPED TO BE USED, MAINTAINED, OR OPERATED TO TRANSPORT INDIVIDUALS WHO ARE SICK, INJURED, WOUNDED, OR OTHERWISE INCAPACITATED.**

**(3) “AMBULANCE SERVICE PROVIDER” MEANS A PROVIDER OF AMBULANCE SERVICES THAT:**

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

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

**(4) “ASSIGNMENT OF BENEFITS” MEANS THE TRANSFER BY AN INSURED, A SUBSCRIBER, OR AN ENROLLEE OF HEALTH CARE COVERAGE REIMBURSEMENT BENEFITS OR OTHER RIGHTS UNDER A HEALTH INSURANCE POLICY OR CONTRACT.**

**(5) “CARRIER” MEANS:**

**(I) AN INSURER THAT PROVIDES BENEFITS ON AN EXPENSE–INCURRED BASIS;**

(II) A NONPROFIT HEALTH SERVICE PLAN; OR

(III) A HEALTH MAINTENANCE ORGANIZATION.

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

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

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

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

~~(B)~~ (C) (1) A EXCEPT FOR A HEALTH MAINTENANCE ORGANIZATION, A CARRIER SHALL REIMBURSE DIRECTLY AN AMBULANCE SERVICE PROVIDER THAT OBTAINS AN ASSIGNMENT OF BENEFITS FROM AN INSURED, A SUBSCRIBER, OR AN ENROLLEE DIRECTLY FOR COVERED SERVICES PROVIDED TO THE INSURED, SUBSCRIBER, ENROLLEE, OR ANY OTHER INDIVIDUAL COVERED BY A POLICY OR CONTRACT ISSUED BY THE CARRIER.

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

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

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

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

(I) COLLECT OR ATTEMPT TO COLLECT FROM AN INSURED, A SUBSCRIBER, OR AN ENROLLEE OF A CARRIER ANY MONEY OWED TO THE AMBULANCE SERVICE PROVIDER BY THE CARRIER FOR COVERED SERVICES

RENDERED TO THE INSURED, SUBSCRIBER, OR ENROLLEE BY THE AMBULANCE SERVICE PROVIDER; OR

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

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

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

(II) IF MEDICARE IS THE PRIMARY INSURER AND THE CARRIER IS THE SECONDARY INSURER, ANY AMOUNT UP TO THE MEDICARE-APPROVED OR LIMITING AMOUNT, AS SPECIFIED UNDER THE FEDERAL SOCIAL SECURITY ACT, THAT IS NOT OWED TO THE AMBULANCE SERVICE PROVIDER BY MEDICARE OR THE CARRIER AFTER COORDINATION OF BENEFITS HAS BEEN COMPLETED, FOR ~~MEDICARE COVERED~~ MEDICARE COVERED SERVICES RENDERED TO THE INSURED, SUBSCRIBER, OR ENROLLEE BY THE AMBULANCE SERVICE PROVIDER; AND

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

~~(D)~~ (E) (1) ~~A HEALTH MAINTENANCE ORGANIZATION SHALL REIMBURSE AN AMBULANCE SERVICE PROVIDER THAT RECEIVES DIRECT REIMBURSEMENT UNDER SUBSECTION (B) OF THIS SECTION AND IS NOT UNDER WRITTEN CONTRACT WITH THE HEALTH MAINTENANCE ORGANIZATION IN ACCORDANCE WITH § 19-710.1 OF THE HEALTH - GENERAL ARTICLE NOTWITHSTANDING § 19-710.1 OF THE HEALTH - GENERAL ARTICLE, A HEALTH MAINTENANCE ORGANIZATION'S ALLOWED AMOUNT FOR A COVERED HEALTH CARE SERVICE PROVIDED BY AN AMBULANCE SERVICE PROVIDER THAT IS NOT UNDER WRITTEN CONTRACT WITH THE HEALTH MAINTENANCE ORGANIZATION MAY NOT BE LESS THAN THE ALLOWED AMOUNT PAID TO AN AMBULANCE SERVICE PROVIDER THAT IS UNDER WRITTEN CONTRACT WITH THE HEALTH MAINTENANCE ORGANIZATION FOR THE SAME COVERED SERVICE IN~~

THE SAME GEOGRAPHIC REGION, AS DEFINED BY THE CENTERS FOR MEDICARE AND MEDICAID SERVICES.

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

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

SECTION 2. AND BE IT FURTHER ENACTED, That:

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

- (1) the number of claims received;
- (2) the number of claims paid; and
- (3) the amount of claims paid.

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

- (1) the changes for services provided by in-network ambulance service providers; and
- (2) the changes for services provided by out-of-network ambulance service providers.

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

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

SECTION ~~3~~ 4. AND BE IT FURTHER ENACTED, That this Act shall take effect ~~October 1, 2011~~ January 1, 2012. It shall remain effective for a period of 3 years

and 6 months and, at the end of June 30, 2015, with no further action required by the General Assembly, this Act shall be abrogated and of no further force and effect.

**Approved by the Governor, May 19, 2011.**