

**SENATE . . . . . No. 564**

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**The Commonwealth of Massachusetts**

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**In the Year Two Thousand Nine**  
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An Act Relating to Equitable Provider 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 SECTION 1. Section 12 of Chapter 118E of the General Laws, as appearing in the 2006  
2 Official Edition, is hereby amended by inserting at the beginning of the section the following  
3 new definitions:

4 “Managed Care Organization”, any entity with which the Commonwealth contracts to  
5 provide managed care services to eligible MassHealth enrollees on a capitated basis.

6 "Network", a grouping of health care providers who contract with a managed care  
7 organization to provide services to MassHealth enrollees covered by the managed care  
8 organization’s plans, policies, contracts or other arrangements.

9 “Non-network provider”, a health care provider who has not entered into a contract with  
10 a managed care organization to provide services to MassHealth enrollees.

11 SECTION 2. Section 12 of Chapter 118E of the General Laws, as so appearing, is further  
12 amended by inserting at the end of the section the following new language:

13 For emergency, post-stabilization, and certain services that have received a prior approval  
14 by a managed care organization contracting with the Commonwealth to provide managed care  
15 services to MassHealth enrollees, health care providers not included in a managed care  
16 organization's network, must accept a rate equal to the rate paid by Medicaid for the same or  
17 similar services. Nothing in this section shall prohibit a managed care organization from  
18 denying payment for unapproved services conducted by a non-network provider. Health care  
19 providers shall be prohibited from attempting to charge or to collect from the enrollee, or persons  
20 acting on the enrollee's behalf, any amount, other than co-payments, in excess of the amount  
21 paid by the managed care organization for that service.

22 SECTION 3. Chapter 118H of the General Laws, as so appearing, is hereby amended by  
23 the addition of a new Section 7, as follows:

24 Section 7. For emergency, post-stabilization, and certain services that have received a  
25 prior approval by a carrier or managed care organization contracting with the Connector to  
26 provide managed care services to Commonwealth Care Health Insurance Program enrollees,  
27 health care providers not included in a managed care organization's network, must accept a rate  
28 equal to the rate paid by Medicaid for the same or similar services. Nothing in this section shall  
29 prohibit a carrier or managed care organization from denying payment for unapproved services  
30 conducted by a non-network provider. Health care providers shall be prohibited from attempting  
31 to charge or to collect from the enrollee, or persons acting on the enrollee's behalf, any amount,  
32 other than co-payments, in excess of the amount paid by the managed care organization for that  
33 service.