SENATE DOCKET, NO. 10 FILED ON: 1/9/2013

SENATE . . . . . No. 462

The Commonwealth of Massachusetts

PRESENTED BY:

Michael O. Moore

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 an affordable health plan.

PETITION OF:

NAME:	DISTRICT/ADDRESS:
Michael O. Moore	*Second Worcester*
Stephen L. DiNatale	*3rd Worcester*
Linda Dorcena Forry	*12th Suffolk*
James B. Eldridge	*Middlesex and Worcester*

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SENATE . . . . . No. 462

By Mr. Michael O. Moore, a petition (accompanied by bill, Senate, No. 462) of Michael O. Moore, Stephen L. DiNatale, Linda Dorcena Forry and James B. Eldridge for legislation relative to an affordable health plan. Financial Services.

[SIMILAR MATTER FILED IN PREVIOUS SESSION
SEE SENATE, NO. *441* OF 2011-2012.]

The Commonwealth of Massachusetts

In the Year Two Thousand Thirteen

An Act relative to an affordable health plan.

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

SECTION 1. Chapter 176J of the General Laws, as appearing in the 2010 Official Edition, is hereby amended by adding the following section:-

Section 18. As used in this section, the following words shall have the following meanings:

"Statutory reimbursement rate," with respect to payment to a health care provider for services rendered to any person covered under an "Affordable Health Plan", 110 percent of the Medicare reimbursement rate for those services as if they were rendered to a Medicare beneficiary not taking into consideration any beneficiary cost sharing. For services or supplies for which there is no Medicare reimbursement amount, the amount as determined by the commissioner of the center for health information and analysis is to be consistent with Medicare payment policies at a 110 percent level and set in consultation with the commissioner of insurance.

(a) As a condition of doing business in the commonwealth, a carrier that offers health benefit plans to eligible small businesses and eligible individuals, as defined by chapter 176J, shall offer an "Affordable Health Plan" to all eligible individuals and small businesses, both within the connector, for such carriers participating in the connector, and for all such carriers

outside the connector. This "Affordable Health Plan" shall contain benefits that are actuarially equivalent to the lowest level benefit plan available to the general public within the connector, other than the young adult plan. Payment for all services, other than outpatient pharmacy benefits, for all providers under "Affordable Health Plans" shall be consistent with the requirements as included in paragraph (b).

(b) Claims for services shall be adjudicated at the in-network benefit level or, if applicable under the terms of the plan, the out-of-network benefit level based on the participation status of the provider in the carrier's network. Every health care provider licensed in the commonwealth which provides covered services to a person covered under "Affordable Health Plans" must provide such service to any such person, as a condition of their licensure, and must accept payment at the lowest of the statutory reimbursement rate, an amount equal to the actuarial equivalent of the statutory reimbursement rate, or the applicable contract rate with the carrier for the carrier's product offering with the lowest level benefit plan available to the general public within the connector, other than the young adult plan, and may not balance bill such person for any amount in excess of the amount paid by the carrier pursuant to this section, other than applicable co-payments, co-insurance and deductibles.

(c) Providers shall not attempt to recoup such excess amounts by increasing charges to other health benefit plans or other payers. The center for health information and analysis shall monitor provider charges to ensure compliance with this section and shall report any non-compliance to the attorney general. The center for health information and analysis shall promulgate regulations enforcing this subsection, which shall include penalties for noncompliance.

(d) Existing contracts between providers and carriers shall comply with the requirements of this section as to the reimbursement rate and providers shall provide services to individuals under "Affordable Health Plans" under such existing contracts with carriers. A provider that participates in a carrier's network or any health benefit plan shall not refuse to participate in the carrier's network with respect to the "Affordable Health Plan".

SECTION 2. Section 16 of Chapter 176J is hereby repealed.

SECTION 3. Section 2 of this act shall take effect on January 1, 2014.