HOUSE DOCKET, NO. 2114 FILED ON: 1/17/2019

HOUSE . . . . . No. 975

The Commonwealth of Massachusetts

PRESENTED BY:

Carole A. Fiola

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:	DATE ADDED:
Carole A. Fiola	*6th Bristol*	*1/17/2019*
F. Jay Barrows	*1st Bristol*	*2/1/2019*
Jennifer E. Benson	*37th Middlesex*	*1/31/2019*
Gerard J. Cassidy	*9th Plymouth*	*1/30/2019*
Kimberly N. Ferguson	*1st Worcester*	*1/30/2019*
Carlos González	*10th Hampden*	*1/29/2019*
Danielle W. Gregoire	*4th Middlesex*	*1/28/2019*
James K. Hawkins	*2nd Bristol*	*1/29/2019*
Stephan Hay	*3rd Worcester*	*1/28/2019*
Steven S. Howitt	*4th Bristol*	*1/30/2019*
Randy Hunt	*5th Barnstable*	*1/28/2019*
Hannah Kane	*11th Worcester*	*1/31/2019*
Joseph W. McGonagle, Jr.	*28th Middlesex*	*2/1/2019*
Joseph D. McKenna	*18th Worcester*	*1/31/2019*
Paul McMurtry	*11th Norfolk*	*1/31/2019*
Christina A. Minicucci	*14th Essex*	*1/31/2019*
Mathew J. Muratore	*1st Plymouth*	*1/30/2019*
Brian W. Murray	*10th Worcester*	*1/30/2019*

Harold P. Naughton, Jr.	*12th Worcester*	*1/31/2019*
Shaunna L. O'Connell	*3rd Bristol*	*1/31/2019*
Patrick M. O'Connor	*Plymouth and Norfolk*	*1/30/2019*
Sarah K. Peake	*4th Barnstable*	*1/31/2019*
Angelo J. Puppolo, Jr.	*12th Hampden*	*1/24/2019*
David Allen Robertson	*19th Middlesex*	*1/25/2019*
John H. Rogers	*12th Norfolk*	*2/1/2019*
Paul A. Schmid, III	*8th Bristol*	*1/23/2019*
Alan Silvia	*7th Bristol*	*1/31/2019*
Timothy R. Whelan	*1st Barnstable*	*1/24/2019*

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HOUSE . . . . . No. 975

By Ms. Fiola of Fall River, a petition (accompanied by bill, House, No. 975) of Carole A. Fiola and others relative to payment for ambulance services provided to certain insured individuals. Financial Services.

The Commonwealth of Massachusetts

In the One Hundred and Ninety-First General Court
(2019-2020)

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:

SECTION XX. Chapter 176D of the General Laws is hereby amended by inserting after section 3B the following section:-

Section 3C. (a) As used in this section, the following words shall, unless the context clearly requires otherwise, have the following meanings:-

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

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

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

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

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

"Municipally Established Ambulance Rates", rates for emergency ambulance service established annually by a municipality for the current procedure codes and definitions for ambulance service published by the Centers for Medicare and Medicaid Services under Title XVIII of the Social Security Act.

(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 insured but is not an ambulance service provider under contract to the insurer maintaining or

providing the insured's insurance policy or insurance contract, the insurer maintaining or providing such insurance policy or insurance contract shall pay the ambulance service provider directly and promptly for the emergency ambulance service rendered to the insured. Such payment shall be made to the ambulance service provider notwithstanding that the insured's insurance policy or insurance contract contains a prohibition against the insured assigning benefits thereunder so long as the insured executes an assignment of benefits to the ambulance service provider and such payment shall be made to the ambulance service provider in the event an insured is either incapable or unable as a practical matter to execute an assignment of benefits under an insurance policy or insurance contract pursuant to which an assignment of benefits is not prohibited, or in connection with an insurance policy or insurance contract that contains a prohibition against any such assignment of benefits. An ambulance service provider shall not be considered to have been paid for an emergency ambulance service rendered to an insured if the insurer makes payment for the emergency ambulance service to the insured. An ambulance service provider shall have a right of action against an insurer that fails to make a payment to it 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.

(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 representative of the Fire Chiefs Association of Massachusetts; (iv) the president of the Massachusetts Municipal Association; (v) the president of the Massachusetts Association of Health Plans, Inc.; (vi) the president of Blue Cross and Blue Shield of Massachusetts (vii) the

president of the Professional Fire Fighters of Massachusetts; (viii) a representative of the Massachusetts Ambulance Association, Incorporated; and (ix) the president of a commercial insurer. The council shall make recommendations for rate increases in excess of the current Health Care Cost Benchmark that consider (A) cost differences associated with differences in geography that impact services; (B) differences in distances travelled for services; (C) the actual cost of providing services and readiness; (D) quality of care; (E) any new costs for compliance with new state or federal statutory or regulatory compliance.