

SENATE No. 717

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: | |
|--------------------------|--------------------------------------|------------------|
| <i>Walter F. Timilty</i> | <i>Norfolk, Plymouth and Bristol</i> | |
| <i>Vanna Howard</i> | <i>17th Middlesex</i> | <i>1/31/2023</i> |
| <i>Joan B. Lovely</i> | <i>Second Essex</i> | <i>8/25/2023</i> |

SENATE No. 717

By Mr. Timilty, a petition (accompanied by bill, Senate, No. 717) of Walter F. Timilty and Vanna Howard for legislation relative to ambulance service reimbursement. Financial Services.

[SIMILAR MATTER FILED IN PREVIOUS SESSION
SEE SENATE, NO. 731 OF 2021-2022.]

The Commonwealth of Massachusetts

**In the One Hundred and Ninety-Third General Court
(2023-2024)**

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 policy
18 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
30 ambulance service published by the Centers for Medicare and Medicaid Services under Title
31 XVIII of the Social Security Act.

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

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

51 (d) Municipalities shall report their municipally established ambulance rates to CHIA
52 that are in effect as of June 30, 2023; and to CHIA annually on or before June 30 to be included
53 in the CHIA Transparency Initiative.

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

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

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

68 (h) A municipality may appeal to the secretary for a municipally established ambulance
69 rate increase that is in excess of the current Health Care Cost Benchmark. There shall be an
70 ambulance service advisory council to advise the secretary on such requests. The council shall be
71 appointed by the secretary and consist of the following members or a designee: (i) the secretary
72 of public safety and security; (ii) the commissioner of the group insurance commission; (iii) a
73 representative of the Fire Chiefs Association of Massachusetts; (iv) the president of the
74 Massachusetts Municipal Association; (v) the president of the Massachusetts Association of
75 Health Plans, Inc.; (vi) the president of Blue Cross and Blue Shield of Massachusetts (vii) the

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