

# SENATE BILL 869

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CF HB 562

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By: ~~Senators Edwards and Serafini~~, Serafini, Astle, Benson, Feldman, Hershey, Jennings, Kelley, Klausmeier, Mathias, Middleton, Pugh, and Reilly

Introduced and read first time: February 27, 2015

Assigned to: Rules

Re-referred to: Finance, March 6, 2015

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Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 23, 2015

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## CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Health Insurance – Ambulance Service Providers – Direct Reimbursement –**  
3 **Repeal of Termination Date**

4 FOR the purpose of repealing the termination date of certain provisions of law relating to  
5 direct reimbursement by health insurers, nonprofit health service plans, and health  
6 maintenance organizations for transportation by ambulance; and generally relating  
7 to direct reimbursement of ambulance service providers under health insurance.

8 BY repealing and reenacting, without amendments,  
9 Article – Insurance  
10 Section 15–138  
11 Annotated Code of Maryland  
12 (2011 Replacement Volume and 2014 Supplement)

13 BY repealing and reenacting, with amendments,  
14 Chapter 425 of the Acts of the General Assembly of 2011  
15 Section 4

16 BY repealing and reenacting, with amendments,  
17 Chapter 426 of the Acts of the General Assembly of 2011  
18 Section 4

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



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

3 **Article – Insurance**

4 15–138.

5 (a) (1) In this section the following words have the meanings indicated.

6 (2) “Ambulance” means any conveyance designed and constructed or  
7 modified and equipped to be used, maintained, or operated to transport individuals who  
8 are sick, injured, wounded, or otherwise incapacitated.

9 (3) “Ambulance service provider” means a provider of ambulance services  
10 that:

11 (i) is owned, operated, or under the jurisdiction of a political  
12 subdivision of the State or a volunteer fire company or volunteer rescue squad; or

13 (ii) has contracted to provide ambulance services for a political  
14 subdivision of the State.

15 (4) “Assignment of benefits” means the transfer by an insured, a  
16 subscriber, or an enrollee of health care coverage reimbursement benefits or other rights  
17 under a health insurance policy or contract.

18 (5) “Carrier” means:

19 (i) an insurer that provides benefits on an expense–incurred basis;

20 (ii) a nonprofit health service plan; or

21 (iii) a health maintenance organization.

22 (6) “Nonpreferred provider” has the meaning stated in § 14–201 of this  
23 article.

24 (7) “Preferred provider” has the meaning stated in § 14–201 of this article.

25 (8) “Preferred provider insurance policy” has the meaning stated in §  
26 14–201 of this article.

27 (b) This section applies to individual or group policies or contracts issued or  
28 delivered in the State by a carrier.

29 (c) (1) Except for a health maintenance organization, a carrier shall reimburse  
30 directly an ambulance service provider that obtains an assignment of benefits from an

1 insured, a subscriber, or an enrollee for covered services provided to the insured, subscriber,  
2 enrollee, or any other individual covered by a policy or contract issued by the carrier.

3 (2) A health maintenance organization shall reimburse an ambulance  
4 service provider directly for covered services provided to a subscriber, enrollee, or any other  
5 individual covered by a policy or contract issued by the health maintenance organization.

6 (d) (1) This subsection applies to an ambulance service provider that receives  
7 direct reimbursement under subsection (c) of this section.

8 (2) Except as provided in paragraph (4) of this subsection, an insured, a  
9 subscriber, or an enrollee may not be liable to an ambulance service provider for covered  
10 services.

11 (3) An ambulance service provider or a representative of the ambulance  
12 service provider may not:

13 (i) collect or attempt to collect from an insured, a subscriber, or an  
14 enrollee of a carrier any money owed to the ambulance service provider by the carrier for  
15 covered services rendered to the insured, subscriber, or enrollee by the ambulance service  
16 provider; or

17 (ii) maintain any action against an insured, a subscriber, or an  
18 enrollee of a carrier to collect or attempt to collect any money owed to the ambulance service  
19 provider by the carrier for covered services rendered to the insured, subscriber, or enrollee  
20 by the ambulance service provider.

21 (4) An ambulance service provider or a representative of the ambulance  
22 service provider may collect or attempt to collect from an insured, a subscriber, or an  
23 enrollee of a carrier:

24 (i) any copayment, deductible, or coinsurance amount owed by the  
25 insured, subscriber, or enrollee for covered services rendered to the insured, subscriber, or  
26 enrollee by the ambulance service provider;

27 (ii) if Medicare is the primary insurer and the carrier is the  
28 secondary insurer, any amount up to the Medicare-approved or limiting amount, as  
29 specified under the federal Social Security Act, that is not owed to the ambulance service  
30 provider by Medicare or the carrier after coordination of benefits has been completed, for  
31 Medicare covered services rendered to the insured, subscriber, or enrollee by the ambulance  
32 service provider; and

33 (iii) any payment or charge for services that are not covered services.

34 (e) (1) Notwithstanding § 19–710.1 of the Health – General Article, a health  
35 maintenance organization’s allowed amount for a covered health care service provided by  
36 an ambulance service provider that is not under written contract with the health

1 maintenance organization may not be less than the allowed amount paid to an ambulance  
 2 service provider that is under written contract with the health maintenance organization  
 3 for the same covered service in the same geographic region, as defined by the Centers for  
 4 Medicare and Medicaid Services.

5 (2) An insurer's or nonprofit health service plan's allowed amount for a  
 6 health care service covered under a preferred provider insurance policy and provided by an  
 7 ambulance service provider that is a nonpreferred provider may not be less than the  
 8 allowed amount paid to an ambulance service provider who is a preferred provider for the  
 9 same health care service in the same geographic region, as defined by the Centers for  
 10 Medicare and Medicaid Services.

11 (f) The Commissioner may adopt regulations to implement this section.

12 **Chapter 425 of the Acts of 2011**

13 SECTION 4. AND BE IT FURTHER ENACTED, That this Act shall take effect  
 14 January 1, 2012. [It shall remain effective for a period of 3 years and 6 months and, at the  
 15 end of June 30, 2015, with no further action required by the General Assembly, this Act  
 16 shall be abrogated and of no further force and effect.]

17 **Chapter 426 of the Acts of 2011**

18 SECTION 4. AND BE IT FURTHER ENACTED, That this Act shall take effect  
 19 January 1, 2012. [It shall remain effective for a period of 3 years and 6 months and, at the  
 20 end of June 30, 2015, with no further action required by the General Assembly, this Act  
 21 shall be abrogated and of no further force and effect.]

22 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June  
 23 1, 2015.

Approved:

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Governor.

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President of the Senate.

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Speaker of the House of Delegates.