

SENATE BILL 154

C3
SB 745/10 – FIN

11r0752

By: ~~Senators Colburn and Glassman~~, Glassman, Edwards, Astle, Garagiola,
Kelley, Kittleman, Klausmeier, Middleton, and Pugh

Introduced and read first time: January 24, 2011

Assigned to: Finance

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 21, 2011

CHAPTER _____

1 AN ACT concerning

2 **Health Insurance – Ambulance Service Providers – Assignment of Benefits**

3 FOR the purpose of requiring health insurers, nonprofit health service plans, and
4 health maintenance organizations to reimburse an ambulance service provider
5 directly for certain covered services under certain circumstances; providing that
6 an insured, a subscriber, or an enrollee of certain health insurance carriers may
7 not be liable to certain ambulance service providers for certain services under
8 certain circumstances; prohibiting certain ambulance service providers from
9 taking certain actions against an insured, a subscriber, or an enrollee under
10 certain circumstances; authorizing the ambulance service providers to collect
11 certain payments from an insured, a subscriber, or an enrollee under certain
12 circumstances; requiring a health maintenance organization to reimburse
13 certain ambulance service providers in accordance with certain provisions of
14 law; prohibiting a certain allowed amount for a health care service provided by
15 a certain ambulance service provider from being less than a certain amount;
16 requiring the Maryland Insurance Commissioner to adopt regulations to
17 implement this Act; providing for the application of this Act; defining certain
18 terms; and generally relating to reimbursement by insurers, nonprofit health
19 service plans, and health maintenance organizations for transportation by
20 ambulance.

21 BY adding to

22 Article – Health – General

23 Section 19–706(kkkk)

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 Annotated Code of Maryland
2 (2009 Replacement Volume and 2010 Supplement)

3 BY adding to
4 Article – Insurance
5 Section 15–138
6 Annotated Code of Maryland
7 (2006 Replacement Volume and 2010 Supplement)

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

10 **Article – Health – General**

11 19–706.

12 **(KKKK) THE PROVISIONS OF § 15–138 OF THE INSURANCE ARTICLE**
13 **APPLY TO HEALTH MAINTENANCE ORGANIZATIONS.**

14 **Article – Insurance**

15 **15–138.**

16 **(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE**
17 **MEANINGS INDICATED.**

18 **(2) “AMBULANCE” MEANS ANY CONVEYANCE DESIGNED AND**
19 **CONSTRUCTED OR MODIFIED AND EQUIPPED TO BE USED, MAINTAINED, OR**
20 **OPERATED TO TRANSPORT INDIVIDUALS WHO ARE SICK, INJURED, WOUNDED,**
21 **OR OTHERWISE INCAPACITATED.**

22 **(3) “AMBULANCE SERVICE PROVIDER” MEANS A PROVIDER OF**
23 **AMBULANCE SERVICES THAT:**

24 **(I) IS OWNED, OPERATED, OR UNDER THE JURISDICTION OF**
25 **A POLITICAL SUBDIVISION OF THE STATE OR A VOLUNTEER FIRE COMPANY OR**
26 **VOLUNTEER RESCUE SQUAD; OR**

27 **(II) HAS CONTRACTED TO PROVIDE AMBULANCE SERVICES**
28 **FOR A POLITICAL SUBDIVISION OF THE STATE.**

29 **(4) “ASSIGNMENT OF BENEFITS” MEANS THE TRANSFER BY AN**
30 **INSURED, A SUBSCRIBER, OR AN ENROLLEE OF HEALTH CARE COVERAGE**
31 **REIMBURSEMENT BENEFITS OR OTHER RIGHTS UNDER A HEALTH INSURANCE**
32 **POLICY OR CONTRACT.**

1 **(5) “CARRIER” MEANS:**

2 **(I) AN INSURER THAT PROVIDES BENEFITS ON AN**
3 **EXPENSE–INCURRED BASIS;**

4 **(II) A NONPROFIT HEALTH SERVICE PLAN; OR**

5 **(III) A HEALTH MAINTENANCE ORGANIZATION.**

6 **(6) “NONPREFERRED PROVIDER” HAS THE MEANING STATED IN §**
7 **14–201 OF THIS ARTICLE.**

8 **(7) “PREFERRED PROVIDER” HAS THE MEANING STATED IN §**
9 **14–201 OF THIS ARTICLE.**

10 **(8) “PREFERRED PROVIDER INSURANCE POLICY” HAS THE**
11 **MEANING STATED IN § 14–201 OF THIS ARTICLE.**

12 **(B) A CARRIER SHALL REIMBURSE AN AMBULANCE SERVICE PROVIDER**
13 **THAT OBTAINS AN ASSIGNMENT OF BENEFITS FROM AN INSURED, A**
14 **SUBSCRIBER, OR AN ENROLLEE DIRECTLY FOR COVERED SERVICES PROVIDED**
15 **TO THE INSURED, SUBSCRIBER, ENROLLEE, OR ANY OTHER INDIVIDUAL**
16 **COVERED BY A POLICY OR CONTRACT ISSUED BY THE CARRIER.**

17 **(C) (1) THIS SUBSECTION APPLIES TO AN AMBULANCE SERVICE**
18 **PROVIDER THAT RECEIVES DIRECT REIMBURSEMENT UNDER SUBSECTION (B)**
19 **OF THIS SECTION.**

20 **(2) EXCEPT AS PROVIDED IN PARAGRAPH (4) OF THIS**
21 **SUBSECTION, AN INSURED, A SUBSCRIBER, OR AN ENROLLEE MAY NOT BE**
22 **LIABLE TO AN AMBULANCE SERVICE PROVIDER FOR COVERED SERVICES.**

23 **(3) AN AMBULANCE SERVICE PROVIDER OR A REPRESENTATIVE**
24 **OF THE AMBULANCE SERVICE PROVIDER MAY NOT:**

25 **(I) COLLECT OR ATTEMPT TO COLLECT FROM AN INSURED,**
26 **A SUBSCRIBER, OR AN ENROLLEE OF A CARRIER ANY MONEY OWED TO THE**
27 **AMBULANCE SERVICE PROVIDER BY THE CARRIER FOR COVERED SERVICES**
28 **RENDERED TO THE INSURED, SUBSCRIBER, OR ENROLLEE BY THE AMBULANCE**
29 **SERVICE PROVIDER; OR**

30 **(II) MAINTAIN ANY ACTION AGAINST AN INSURED, A**
31 **SUBSCRIBER, OR AN ENROLLEE OF A CARRIER TO COLLECT OR ATTEMPT TO**

1 COLLECT ANY MONEY OWED TO THE AMBULANCE SERVICE PROVIDER BY THE
2 CARRIER FOR COVERED SERVICES RENDERED TO THE INSURED, SUBSCRIBER,
3 OR ENROLLEE BY THE AMBULANCE SERVICE PROVIDER.

4 (4) AN AMBULANCE SERVICE PROVIDER OR A REPRESENTATIVE
5 OF THE AMBULANCE SERVICE PROVIDER MAY COLLECT OR ATTEMPT TO
6 COLLECT FROM AN INSURED, A SUBSCRIBER, OR AN ENROLLEE OF A CARRIER:

7 (I) ANY COPAYMENT, DEDUCTIBLE, OR COINSURANCE
8 AMOUNT OWED BY THE INSURED, SUBSCRIBER, OR ENROLLEE FOR COVERED
9 SERVICES RENDERED TO THE INSURED, SUBSCRIBER, OR ENROLLEE BY THE
10 AMBULANCE SERVICE PROVIDER;

11 (II) IF MEDICARE IS THE PRIMARY INSURER AND THE
12 CARRIER IS THE SECONDARY INSURER, ANY AMOUNT UP TO THE
13 MEDICARE-APPROVED OR LIMITING AMOUNT, AS SPECIFIED UNDER THE
14 FEDERAL SOCIAL SECURITY ACT, THAT IS NOT OWED TO THE AMBULANCE
15 SERVICE PROVIDER BY MEDICARE OR THE CARRIER AFTER COORDINATION OF
16 BENEFITS HAS BEEN COMPLETED, FOR MEDICARE-COVERED SERVICES
17 RENDERED TO THE INSURED, SUBSCRIBER, OR ENROLLEE BY THE AMBULANCE
18 SERVICE PROVIDER; AND

19 (III) ANY PAYMENT OR CHARGE FOR SERVICES THAT ARE
20 NOT COVERED SERVICES.

21 (D) (1) A HEALTH MAINTENANCE ORGANIZATION SHALL REIMBURSE
22 AN AMBULANCE SERVICE PROVIDER THAT RECEIVES DIRECT REIMBURSEMENT
23 UNDER SUBSECTION (B) OF THIS SECTION AND IS NOT UNDER WRITTEN
24 CONTRACT WITH THE HEALTH MAINTENANCE ORGANIZATION IN ACCORDANCE
25 WITH § 19-710.1 OF THE HEALTH - GENERAL ARTICLE.

26 (2) AN INSURER'S OR NONPROFIT HEALTH SERVICE PLAN'S
27 ALLOWED AMOUNT FOR A HEALTH CARE SERVICE COVERED UNDER A
28 PREFERRED PROVIDER INSURANCE POLICY AND PROVIDED BY AN AMBULANCE
29 SERVICE PROVIDER THAT IS A NONPREFERRED PROVIDER MAY NOT BE LESS
30 THAN THE ALLOWED AMOUNT PAID TO AN AMBULANCE SERVICE PROVIDER WHO
31 IS A PREFERRED PROVIDER FOR THE SAME HEALTH CARE SERVICE IN THE SAME
32 GEOGRAPHIC REGION.

33 (E) THE COMMISSIONER SHALL ADOPT REGULATIONS TO IMPLEMENT
34 THIS SECTION.

1 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall apply to all
2 policies, contracts, and health benefit plans issued, delivered, or renewed in the State
3 on or after October 1, 2011.

4 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
5 October 1, 2011.

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.