

MAINE STATE LEGISLATURE

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128th MAINE LEGISLATURE

FIRST REGULAR SESSION-2017

Legislative Document

No. 502

S.P. 163

In Senate, February 9, 2017

An Act Regarding Hospital Charges and Statements

Reference to the Committee on Insurance and Financial Services suggested and ordered printed.

A handwritten signature in cursive script that reads "Heather J.R. Priest".

HEATHER J.R. PRIEST
Secretary of the Senate

Presented by Senator WHITTEMORE of Somerset.
Cosponsored by Representative FOLEY of Wells and
Senators: KATZ of Kennebec, LANGLEY of Hancock, Representatives: PICCHIOTTI of
Fairfield, PRESCOTT of Waterboro, WALLACE of Dexter.

1 **Be it enacted by the People of the State of Maine as follows:**

2 **Sec. 1. 22 MRSA §1718-D** is enacted to read:

3 **§1718-D. Maximum charges for hospital services and procedures**

4 A hospital may not bill an uninsured patient or a patient not covered under a health
5 plan operating under a network agreement between the hospital and the patient's health
6 plan for any inpatient or outpatient service or procedure at a level that exceeds 120% of
7 the average allowable reimbursement rate under Medicare for that service or procedure.

8 **Sec. 2. 24-A MRSA §4303, sub-§21** is enacted to read:

9 **21. Disclosure of hospital charges; right to audit.** Prior to enrollment, a carrier
10 offering a health plan in this State shall disclose to a prospective enrollee if the health
11 plan uses a provider network that operates under a provider agreement between a
12 participating provider and the carrier that:

13 A. Subjects the enrollee to the terms of the provider agreement upon enrollment; and

14 B. Requires reimbursement for any hospital inpatient and outpatient services and
15 procedures at a level that exceeds 150% of the average allowable reimbursement rate
16 under Medicare for that service or procedure.

17 A carrier may not deny an enrollee covered by a health plan described in this subsection
18 the right to audit any hospital bill or explanation of benefits form.

19 **SUMMARY**

20 This bill prohibits a hospital from billing an uninsured patient or a patient not covered
21 under a health plan operating under a network agreement between the hospital and the
22 patient's health plan for any inpatient or outpatient service or procedure at a level that
23 exceeds 120% of the average allowable reimbursement rate under Medicare for that
24 service or procedure. The bill requires a carrier to disclose to a prospective enrollee prior
25 to enrollment if a health plan has a provider network that operates under a provider
26 agreement between the participating provider and carrier that subjects an enrollee to the
27 terms of the agreement upon enrollment and that requires reimbursement for any hospital
28 inpatient and outpatient services and procedures at a level that exceeds 150% of the
29 average allowable reimbursement rate under Medicare for that service or procedure. For
30 an enrollee enrolled in that type of health plan, a carrier may not deny the enrollee
31 covered by a health plan the right to audit any hospital bill or explanation of benefits
32 form.