

MAINE STATE LEGISLATURE

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130th MAINE LEGISLATURE

FIRST REGULAR SESSION-2021

Legislative Document

No. 1258

H.P. 925

House of Representatives, March 26, 2021

**An Act To Implement the Recommendations of the Stakeholder
Group Convened by the Emergency Medical Services' Board
Related to Reimbursement Rates for Ambulance Services by Health
Insurance Carriers and To Improve Participation of Ambulance
Service Providers in Carrier Networks**

Reported by Representative TEPLER of Topsham for the Joint Standing Committee on Health Coverage, Insurance and Financial Services pursuant to Public Law 2019, chapter 668, section 5.

Received by the Clerk of the House on March 24, 2021. Referred to the Committee on Health Coverage, Insurance and Financial Services pursuant to Joint Rule 308.2 and ordered printed.

Handwritten signature of Robert B. Hunt in cursive.

ROBERT B. HUNT
Clerk

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

2 **Sec. 1. 24-A MRSA §4303-C, sub-§2, ¶D,** as enacted by PL 2019, c. 668, §2, is
3 amended to read:

4 D. A Until December 31, 2023, unless the carrier and out-of-network provider agree
5 otherwise, a carrier shall reimburse an out-of-network provider for ambulance services
6 that are covered emergency services at the out-of-network provider's rate, unless the
7 carrier and out-of-network provider agree otherwise. rate required by section 4303-F;

8 This paragraph is repealed October 1, 2021;

9 **Sec. 2. 24-A MRSA §4303-C, sub-§2, ¶E,** as enacted by PL 2019, c. 668, §2, is
10 amended to read:

11 E. If an out-of-network provider disagrees with a carrier's payment amount for a
12 surprise bill for emergency services or for covered emergency services as determined
13 in accordance with paragraph B or paragraph D, the carrier and the out-of-network
14 provider have 30 calendar days to negotiate an agreement on the payment amount in
15 good faith. If the carrier and the out-of-network provider do not reach agreement on
16 the payment amount within 30 calendar days, the out-of-network provider may submit
17 a dispute regarding the payment and receive another payment from the carrier
18 determined in accordance with the dispute resolution process in section 4303-E,
19 including any payment made pursuant to section 4303-E, subsection 1, paragraph G;
20 and

21 **Sec. 3. 24-A MRSA §4303-F** is enacted to read:

22 **§4303-F. Reimbursement for ambulance services and participation of ambulance**
23 **service providers in carrier networks**

24 **1. Reimbursement for ambulance services.** Until December 31, 2023, with respect
25 to a bill for covered emergency services rendered by an ambulance service provider, a
26 carrier shall reimburse the ambulance service provider or enrollee, as applicable, as
27 follows.

28 A. If the ambulance service provider participates in the carrier's network, the carrier
29 shall reimburse at the ambulance service provider's rate or 200% of the Medicare rate
30 for that service, whichever is greater, plus any adjustment required by paragraph C.

31 B. If the ambulance service provider is an out-of-network provider, the carrier shall
32 reimburse at the ambulance service provider's rate or 180% of the Medicare rate for
33 that service, whichever is greater, plus any adjustment required by paragraph C.

34 C. If the ambulance service provider is located in a rural or super rural area as
35 designated by the federal Department of Health and Human Services, Centers for
36 Medicare and Medicaid Services and eligible for additional Medicare reimbursement
37 for services that were provided to a Medicare enrollee, the carrier shall increase the
38 reimbursement to that ambulance service provider in the same amount as the additional
39 Medicare reimbursement.

40 D. If, on the effective date of this subsection, an ambulance service provider's charge
41 for ambulance services is below 200% of the Medicare rate for that service, the

1 ambulance service provider may not increase the charge for that service by more than
2 5% annually.

3 This subsection is repealed December 31, 2023.

4 **2. Network participation; standard contract.** A carrier shall offer a standard
5 contract to all ambulance service providers willing to participate in the carrier's provider
6 network with the following provisions:

7 A. The reimbursement rate paid for ambulance services conforms to the requirements
8 of subsection 1.

9 This paragraph is repealed December 31, 2023;

10 B. The contract term is for a minimum of 24 months;

11 C. The contract may be terminated as long as the party seeking to terminate the contract
12 provides at least 180 days' prior notice; and

13 D. The contract provides that an ambulance service provider has a minimum of 120
14 days to submit a claim.

15 **3. Exemption.** This section does not apply to air ambulance services.

16 **Sec. 4. 32 MRSA §86, sub-§1,** as amended by PL 2015, c. 82, §5, is further
17 amended to read:

18 **1. Ambulance services and nontransporting medical services to be licensed.** Every
19 ambulance service and nontransporting emergency medical service must be licensed,
20 operate in accordance with the rules adopted and protocols developed for services under
21 this chapter and carry the equipment called for in those rules. The board shall adopt rules
22 and protocols to evaluate the need for any new ambulance service in this State before
23 granting a license under this subsection, including rules that provide an appeal process for
24 any decision made by the board. Rules adopted pursuant to this subsection are routine
25 technical rules pursuant to Title 5, chapter 375, subchapter 2-A.

26 **Sec. 5. 32 MRSA §88, sub-§2, ¶K** is enacted to read:

27 K. The board shall establish by rule a program for collecting and reporting cost and
28 performance metrics related to emergency medical treatment services, including
29 ambulance services. Rules adopted pursuant to this paragraph are routine technical
30 rules pursuant to Title 5, chapter 375, subchapter 2-A.

31 **Sec. 6. Review of financial health and costs of ambulance service providers**
32 **and the delivery of services by ambulance service providers.** The Emergency
33 Medical Services' Board shall convene a stakeholder group, including representatives of
34 the Maine Ambulance Association, municipal and private ambulance services, health
35 insurance carriers and the Department of Professional and Financial Regulation, Bureau of
36 Insurance, to review issues related to financial health and costs of ambulance service
37 providers and the delivery of services by ambulance service providers in this State,
38 including issues related to the medical necessity and reasonableness of ambulance services.
39 The stakeholder group shall consider and develop financial and cost reporting standards
40 and other metrics related to the delivery and quality of ambulance services to measure and
41 evaluate ambulance services in this State. The Emergency Medical Services' Board shall
42 submit a report on the results of its review, including any recommendations, to the joint

1 standing committee of the Legislature having jurisdiction over health coverage, insurance
2 and financial services matters no later than February 1, 2023. The joint standing committee
3 may report out a bill based on the report to the First Regular Session of the 131st
4 Legislature.

5 **SUMMARY**

6 This bill is reported out by the Joint Standing Committee on Health Coverage,
7 Insurance and Financial Services pursuant to Public Law 2019, chapter 668, section 5. The
8 bill implements recommendations related to reimbursement rates and contracting for
9 ambulance services made by a stakeholder group convened by the Emergency Medical
10 Services' Board.

11 The bill does the following.

12 1. It requires insurance carriers to reimburse ambulance service providers rendering
13 covered emergency services based on a certain percentage of Medicare reimbursement
14 rates. The bill states that ambulance service providers participating in an insurance carrier's
15 network will be reimbursed at the ambulance service provider's rate or 200% of the
16 Medicare rate for that service, whichever is greater. For out-of-network providers, the
17 reimbursement rate is 180% of the Medicare rate. The bill also permits carriers to add an
18 adjustment to increase reimbursement for providers in rural areas. The laws governing
19 those requirements are repealed December 31, 2023.

20 2. It requires insurance carriers to offer a standard contract to ambulance service
21 providers with certain minimum requirements related to the length of the contract, the
22 ability to terminate the contract and the time period in which ambulance service providers
23 may submit claims for payment.

24 3. It requires the Emergency Medical Services' Board to adopt rules and protocols to
25 evaluate the need for any new ambulance service in this State before granting a license.

26 4. It requires the Emergency Medical Services' Board to establish by rule a program
27 for collecting and reporting cost and performance metrics related to emergency services,
28 including ambulance services.

29 5. It directs the Emergency Medical Services' Board to convene a stakeholder group
30 to review issues related to financial health and costs of ambulance service providers and
31 the delivery of services by ambulance service providers in this State. The stakeholder
32 group is required to report to the joint standing committee of the Legislature having
33 jurisdiction over health coverage, insurance and financial services matters no later than
34 February 1, 2023.

35 The Joint Standing Committee on Health Coverage, Insurance and Financial Services
36 is reporting the bill out for the sole purpose of turning the recommendations into a printed
37 bill that can be referred to the committee for an appropriate public hearing and subsequent
38 processing in the normal course. The committee is taking this action to ensure clarity and
39 transparency in the legislative review of this bill.