HOUSE BILL NO. 758

INTRODUCED BY S. GIST, E. BUTTREY

A BILL FOR AN ACT ENTITLED: "AN ACT REVISING INSURANCE LAW TO PROHIBIT BALANCE BILLING FOR OUT-OF-NETWORK EMERGENCIES; APPLYING TO HEALTH INSURANCE PLANS; REQUIRING AMBULANCE GROUND TRANSPORTATION SERVICES TO BE PAID BY THE INSURER AT CERTAIN IN-NETWORK RATES; ESTABLISHING RATES; PROVIDING RULEMAKING AUTHORITY; REQUIRING REPORTING TO THE COMMISSIONER OF INSURANCE; PROVIDING DEFINITIONS; ~~AND~~ AMENDING SECTIONS 2-18-704, 30-14-2602, 33-31-111, AND 33-35-306, MCA; AND PROVIDING A DELAYED EFFECTIVE DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

NEW SECTION. **Section 1. Balance billing prohibited -- out-of-network emergency -- rulemaking.** (1) With respect to a health benefit plan, the state employee group benefits plan, the Montana university system group benefits plan, or a medicare supplement insurance policy that provides coverage for ambulance care and transportation, the insurer shall indemnify directly the provider of the ambulance care and transportation.

(2) An ambulance service may not bill an enrollee for covered ground transportation services, including nonemergency transportation between health care facilities, if the enrollee has paid the in-network cost-sharing amount specified in the enrollee's health benefit plan.

(3) For ambulance ground transportation services covered by a health benefit plan, the insurer:

(a) may not impose an out-of-pocket maximum that exceeds $100 for in-network or out-of-network providers;

(b) shall apply any out-of-pocket costs toward an applicable deductible;

(c) may not impose a deductible, out-of-pocket maximum, copayment, or coinsurance requirement on services provided by out-of-network providers that exceeds the deductible, out-of-pocket maximum,

copayment, or coinsurance requirement imposed on services provided by in-network providers; and

(d) shall provide an explanation of benefits to the enrollee that reflects the cost-sharing amount.

(4) Unless the health benefit plan and the ambulance service have a contracted rate, the health benefit plan must reimburse the ambulance service at the established local rate, or if an established local rate does not exist, in an amount no less than 400% of the medicare rate.

(5) The department shall create a database of established local rates for ambulance ground transportation services. The department shall ensure this database is accessible to the public.

(6) Ambulance services must submit a catalog of local ground transportation rates to the department annually and within 5 calendar days of a change to the rates.

(7) The provisions of this section apply to a self-funded group health plan, whether governed by or exempt from the provisions of the Employee Retirement Income Security Act of 1974, 29 U.S.C. 1001 et seq., as amended, only if the self-funded group health plan elects to participate in the provisions of this section by providing notice to the department in the form and manner described by the department by rule.

(8) The department shall make rules to implement the provisions described in this section.

(9) The department may impose civil penalties and take appropriate action as provided in Title 33, chapter 1.

(10) If, under federal law, application of this section would result in health savings account ineligibility under section 223 of the Internal Revenue Code, this requirement may apply only to health savings account-qualified high deductible health plans after the individual has satisfied the plan's deductible as required by section 223 of the Internal Revenue Code.

~~(10)~~(11)As used in this section:

(a) "Department" means the commissioner of securities and insurance, Montana state auditor.

(b) "Enrollee" has the same meaning as provided in 33-1-801.

(c) "Health benefit plan" has the same meaning as provided in 33-1-801.

(d) "Health care facility" means a facility that provides health care services directly to patients, including but not limited to a hospital, clinic, health care provider's office, health maintenance organization, diagnostic or treatment center, mental health facility, hospice, and nursing home.

(e) "In-network" means services performed by a provider or health care service contractor that has directly contracted with the insurer.

(f) "Out-of-network" means services performed by a provider or provider group that has not contracted or has indirectly contracted with the insurer or health care service contractor.

Section 2. Section 2-18-704, MCA, is amended to read:

"**2-18-704. Mandatory provisions.** (1) An insurance contract or plan issued under this part must contain provisions that permit:

(a) the member of a group who retires from active service under the appropriate retirement provisions of a defined benefit plan provided by law or, in the case of the defined contribution plan provided in Title 19, chapter 3, part 21, a member with at least 5 years of service and who is at least age 50 while in covered employment to remain a member of the group until the member becomes eligible for medicare under the federal Health Insurance for the Aged Act, 42 U.S.C. 1395, unless the member is a participant in another group plan with substantially the same or greater benefits at an equivalent cost or unless the member is employed and, by virtue of that employment, is eligible to participate in another group plan with substantially the same or greater benefits at an equivalent cost;

(b) the surviving spouse of a member to remain a member of the group as long as the spouse is eligible for retirement benefits accrued by the deceased member as provided by law unless the spouse is eligible for medicare under the federal Health Insurance for the Aged Act or unless the spouse has or is eligible for equivalent insurance coverage as provided in subsection (1)(a);

(c) the surviving children of a member to remain members of the group as long as they are eligible for retirement benefits accrued by the deceased member as provided by law unless they have equivalent coverage as provided in subsection (1)(a) or are eligible for insurance coverage by virtue of the employment of a surviving parent or legal guardian.

(2) An insurance contract or plan issued under this part must contain the provisions of subsection (1) for remaining a member of the group and also must permit:

(a) the spouse of a retired member the same rights as a surviving spouse under subsection (1)(b);