

BILL SUMMARY
2nd Session of the 59th Legislature

Bill No.:	HB 2872
Version:	PCS2
Request Number:	10275
Author:	Rep. Wallace
Date:	2/21/2024
Impact:	\$0

Research Analysis

The second proposed committee substitute to HB 2872 establishes that the minimum allowable reimbursement rate a healthcare insurer can reimburse an out-of-network ambulance service provider is set at the rates approved by a local governmental entity in the jurisdiction in which the covered health care services originates. If local governmental rates are not set then the rates are to be set as the lesser of either, 325 percent of the current published rate for ambulance services or the ambulance service provider's billed charges. The out-of-network rates can not exceed the in-network rates.

The measure also provides that within 30 days of receipt of a claim for covered services, the healthcare insurer must remit payment directly to the ambulance service provider and not to the enrollee. An ambulance service provider is prohibited from billing the enrollee for any additional amounts in excess of what the healthcare insurer pays.

Prepared By: Keana Swadley

Fiscal Analysis

HB 2872 requires health insurance companies to reimburse out-of-network ambulance providers for ground services based on the lesser of the minimum rate set by local government entities in which the health care provider originates, three hundred twenty-five percent (325%) of the current Centers for Medicare and Medicaid Services (CMS) published rate, or the ambulance provider's billed rate.

Health care insurers are required to either remit payment or send a written notice acknowledging the claim within thirty (30) days after receipt. Ambulance service providers are prohibited from billing enrollees additional payment in excess of what the health care insurer pays.

In its current form, HB 2872 is directing change within an industry, having no direct fiscal impact on the state budget or appropriation.

The second proposed committee substitute does not affect the fiscal impact of this measure.

Prepared By: Alexandra Ladner, House Fiscal Staff

Other Considerations

None.

