

BILL SUMMARY
2nd Session of the 59th Legislature

Bill No.:	HB 2872
Version:	SAHB
Request Number:	
Author:	Rep. Wallace
Date:	5/22/2024
Impact:	FY-25: \$350,000
	FY-26+: \$700,000

Research Analysis

The senate amendment 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 ambulance 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 a *health care benefit plan* does not include any health plans offered by a contracted entity that provides coverage to members of the state Medicaid program.

Prepared By: Keana Swadley

Fiscal Analysis

HB 2872 requires health insurance companies to reimburse out-of-network ambulance providers for ground services at a rate set by the local government entity in which the ambulance service originated, or if no such rate exists, the lesser of 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.

The anticipated impact for the Employees Group Insurance Division of the Office of Management and Enterprise Services (OMES-EGID) is an annual increase of Seven Hundred Thousand Dollars (\$700,000) due to the rate increase. The FY-25 impact is anticipated to be Three Hundred Fifty Thousand Dollars (\$350,000), as the effective date for the proposed measure is January 1,2025.

Prepared By: Alexandra Ladner, House Fiscal Staff

Other Considerations

None.