S T A T E O F N E W Y O R K

5826

2011-2012 Regular Sessions

I N S E N A T E

June 18, 2011

Introduced by Sen. SEWARD -- read twice and ordered printed, and when printed to be committed to the Committee on Rules

AN ACT to amend the insurance law, in relation to payments to certain providers of ambulance services; and to amend a chapter of the laws of 2011 amending the insurance law relating to payments to prehospital emergency medical services providers, as proposed in legislative bills numbers S.2714-B and A.4093-B, in relation to the effectiveness thereof

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. The subsection heading of subsection (i) of section 3224-a of the insurance law, as added by a chapter of the laws of 2011 amending the insurance law relating to payments to prehospital emergency medical services providers, as proposed in legislative bills numbers S.2714-B and A.4093-B, is amended to read as follows:

Payments to nonparticipating or nonpreferred providers of ambulance services licensed under article thirty of the public health law (EXCLUDING PAYMENTS FOR SERVICES RELATED TO AIR TRANSPORT).

S 2. Paragraph 3 and the closing paragraph of subsection (i) of section 3224-a of the insurance law, as added by a chapter of the laws of 2011 amending the insurance law relating to payments to prehospital emergency medical services providers, as proposed in legislative bills numbers S.2714-B and A.4093-B, are amended to read as follows:

(3) Nothing contained in this section shall be deemed to prohibit the payment of different levels of benefits or from having differences in coinsurance percentages applicable to benefit levels for services provided by participating or preferred providers and nonparticipating or nonpreferred providers AS DEEMED APPROPRIATE BY THE SUPERINTENDENT.

The provisions of this section shall not [apply to policies that do not include coverage for ambulance services] BE DEEMED TO REQUIRE OR EXPAND COVERAGE NOT OTHERWISE INCLUDED IN THE POLICY.

EXPLANATION--Matter in ITALICS (underscored) is new; matter in brackets [ ] is old law to be omitted.

LBD04592-09-1

S 3. Subparagraph (C) of paragraph 24 of subsection (i) of section 3216 of the insurance law, as amended by a chapter of the laws of 2011 amending the insurance law relating to payments to prehospital emergency medical services providers, as proposed in legislative bills numbers S.2714-B and A.4093-B, is amended to read as follows:

(C) An insurer shall provide reimbursement for those services prescribed by this section at rates negotiated between the insurer and the provider of such services. In the absence of agreed upon rates, an insurer shall pay for such services at the usual and customary charge, which shall not be excessive or unreasonable. The insurer shall send such payments directly to the provider of such ambulance services, if the ambulance service includes an executed assignment of benefits form with the claim OR PROVIDE NOTICE OF EXECUTED ASSIGNMENT OF BENEFITS FORM ON FILE.

S 4. Subparagraph (C) of paragraph 15 of subsection (l) of section 3221 of the insurance law, as amended by a chapter of the laws of 2011 amending the insurance law relating to payments to prehospital emergency medical services providers, as proposed in legislative bills numbers S.2714-B and A.4093-B, is amended to read as follows:

(C) An insurer shall provide reimbursement for those services prescribed by this section at rates negotiated between the insurer and the provider of such services. In the absence of agreed upon rates, an insurer shall pay for such services at the usual and customary charge, which shall not be excessive or unreasonable. The insurer shall send such payments directly to the provider of such ambulance services, if the ambulance service includes an executed assignment of benefits form with the claim OR PROVIDE NOTICE OF EXECUTED ASSIGNMENT OF BENEFITS FORM ON FILE.

S 5. Paragraph 3 of subsection (aa) of section 4303 of the insurance law, as amended by a chapter of the laws of 2011 amending the insurance law relating to payments to prehospital emergency medical services providers, as proposed in legislative bills numbers S.2714-B and A.4093-B, is amended to read as follows:

(3) An insurer shall provide reimbursement for those services prescribed by this section at rates negotiated between the insurer and the provider of such services. In the absence of agreed upon rates, an insurer shall pay for such services at the usual and customary charge, which shall not be excessive or unreasonable. The insurer shall send such payments directly to the provider of such ambulance services, if the ambulance service includes an executed assignment of benefits form with the claim OR PROVIDE NOTICE OF EXECUTED ASSIGNMENT OF BENEFITS FORM ON FILE.

S 6. (A) On or before January 1, 2013, the superintendent of financial services, in consultation with the commissioner of health, the insurance industry and the ambulance industry, shall report to the governor, the speaker of the assembly, the temporary president of the senate, and the chairs of the standing committees of insurance of both the senate and assembly regarding the appropriateness of rates provided to both non-preferred and preferred providers of ambulance services other than those ambulance services provided by a municipally owned and operated provider of ambulance services in a city with a population of one million or more. Such study shall include a review of the appropriateness of current medicaid and medicaid managed care rates for ambulance services. The superintendent of financial services shall also make recommendations regarding improving the appropriateness of rate structures for non-preferred and preferred providers in different parts

of the state, other than those ambulance services provided by a municipally owned and operated provider of ambulance services in a city with a population of one million or more.

(B) On or before January 1, 2014, the superintendent of financial services, in consultation with the commissioner of health, the insurance industry and the ambulance industry, shall make recommendations regarding establishing a rate setting process that shall be used by insurers and ambulance providers both non-preferred and preferred, to be used in the state, other than ambulance services provided by a municipally owned and operated provider of ambulance services in a city with a population of one million or more, when reimbursing both emergency and non-emergency services provided by such providers, in an effort to ensure that rates provided are adequate, reasonable, and not excessive. Such recommendations shall not be implemented without subsequent legislative approval.

S 7. Section 5 of a chapter of the laws of 2011 amending the insurance law relating to payments to prehospital emergency medical services providers, as proposed in legislative bills numbers S.2714-B and A.4093-B, is amended to read as follows:

S 5. This act shall take effect January 1, 2012 and shall apply to [health care claims submitted for payment] SERVICES PROVIDED after such date; PROVIDED, HOWEVER, THAT AFTER DECEMBER 31, 2014, THIS ACT SHALL ONLY APPLY TO SERVICES PROVIDED BY AMBULANCE SERVICES PROVIDED BY A MUNICIPALLY OWNED AND OPERATED PROVIDER OF AMBULANCE SERVICES IN A CITY WITH A POPULATION OF ONE MILLION OR MORE.

S 8. This act shall take effect on the same date and in the same manner as a chapter of the laws of 2011 amending the insurance law relating to payments to prehospital emergency medical services providers, as proposed in legislative bills numbers S.2714-B and A.4093-B, takes effect; provided, however, that after December 31, 2014, this act shall only apply to services provided by ambulance services provided by a municipally owned and operated provider of ambulance services in a city with a population of one million or more.