



130th MAINE LEGISLATURE

FIRST REGULAR SESSION-2021

Legislative Document

No. 46

H.P. 12

House of Representatives, January 13, 2021

An Act To Further Protect Consumers from Surprise Medical Bills

(EMERGENCY)

Submitted by the Department of Professional and Financial Regulation pursuant to Joint Rule 204.

Received by the Clerk of the House on January 11, 2021. Referred to the Committee on Health Coverage, Insurance and Financial Services pursuant to Joint Rule 308.2 and ordered printed pursuant to Joint Rule 401.

A handwritten signature in cursive script that reads "Robert B. Hunt".

ROBERT B. HUNT
Clerk

Presented by Representative TEPLER of Topsham.

1 **Emergency preamble.** Whereas, acts and resolves of the Legislature do not
2 become effective until 90 days after adjournment unless enacted as emergencies; and

3 **Whereas,** it is critically important that this legislation to further protect consumers
4 from surprise medical bills take effect before the expiration of the 90-day period; and

5 **Whereas,** in the judgment of the Legislature, these facts create an emergency within
6 the meaning of the Constitution of Maine and require the following legislation as
7 immediately necessary for the preservation of the public peace, health and safety; now,
8 therefore,

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

10 **Sec. 1. 24-A MRSA §4303-C, sub-§2, ¶B,** as amended by PL 2019, c. 668, §2, is
11 further amended to read:

12 B. Except as provided for ambulance services in paragraph D, unless the carrier and
13 out-of-network provider agree otherwise, a carrier shall reimburse the out-of-network
14 provider or enrollee, as applicable, for health care services rendered at the greater of:

15 (1) The carrier's median network rate paid for that health care service by a similar
16 provider in the enrollee's geographic area where the service was provided; and

17 (2) The median network rate paid by all carriers for that health care service by a
18 similar provider in the enrollee's geographic area where the service was provided
19 as determined by the all-payer claims database maintained by the Maine Health
20 Data Organization or, if Maine Health Data Organization claims data is insufficient
21 or otherwise inapplicable, another independent medical claims database specified
22 by the superintendent;

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

25 G. When the difference between the out-of-network provider's charge and the median
26 network rate pursuant to section 4303-C, subsection 2, paragraph B, subparagraph (1),
27 including any applicable enrollee cost sharing, is less than \$750, a carrier shall
28 reimburse the out-of-network provider directly for the provider's charges for the
29 services rendered as long as the provider's charges do not exceed the 80th percentile of
30 charges for the particular health care service performed by a health care professional
31 in the same or similar specialty and provided in the same geographical area as reported
32 in a benchmarking by the Maine Health Data Organization or, if Maine Health Data
33 Organization claims data is insufficient or otherwise inapplicable, another independent
34 medical claims database specified by the superintendent and maintained by a nonprofit
35 organization that is not affiliated with and does not receive funding from a carrier. An
36 out-of-network provider may dispute more than one bill with the same carrier for the
37 same health care service under this subsection as long as the total of the bills with that
38 carrier for that health care service exceeds \$750.

39 **Emergency clause.** In view of the emergency cited in the preamble, this legislation
40 takes effect when approved.

SUMMARY

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This bill provides that information on provider charges as reported by the Maine Health Data Organization or, if Maine Health Data Organization claims data is insufficient or otherwise inapplicable, another independent medical claims database specified by the Superintendent of Insurance must be used to determine the amount a carrier must reimburse an out-of-network provider under certain circumstances. It removes the requirement that a benchmarking database be maintained by a nonprofit organization that is not affiliated with and does not receive funding from a carrier. It bases the amount a carrier must reimburse an out-of-network provider or enrollee on the rate paid for a health care service in the geographic area where the service is provided rather than on the rate paid for a health care service in an enrollee's geographic area.