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SYNOPSIS:

This bill would regulate the provision of emergency ground ambulance services in the state, by imposing requirements on reimbursement by health insurers for ambulance services based on whether the provider is in or out of a health care insurer's network.

This bill would prohibit surprise billing of insurance enrollees by providing that the reimbursement requirements be accepted as payment in full. A ground ambulance provider could directly charge an individual for no more than the in-network cost-sharing amount under the insurance contract.

This bill would require that ground ambulance services submit an annual report on their operations, with financial information, to the Alabama Department of Public Health.

This bill would also require the Alabama Department of Public Health to retain an outside expert to study and report on the effects of this bill on access to ground ambulance services in the state, with recommended measures to improve access.

This bill would be repealed on June 1, 2029.



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A BILL
TO BE ENTITLED
AN ACT

Relating to health insurance; to set requirements on reimbursement rates by health care insurers for ground ambulance services; to provide that the established reimbursement rate is payment in full for ground ambulance services; to impose reporting requirements by emergency medical service providers that provide ground ambulance services to the Alabama Department of Public Health; to require the Alabama Department of Public Health to contract with a consultant to report on the effects of this act, with recommendations for improving access to emergency medical transport; and to provide for repeal of this act.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

Section 1. For the purposes of this act, the following words have the following meanings:

(1) CLEAN CLAIM. A clean electronic claim or a clean written claim.

(2) CLEAN ELECTRONIC CLAIM. The transmission of data for purposes of payment of covered health care expenses that is submitted to a health care insurer which contains substantially all of the required data elements necessary for accurate adjudication, without obtaining additional information from the provider of the service or from a third party, in an electronic data format specified by the health



57 care insurer.

58 (3) CLEAN WRITTEN CLAIM. A claim for payment of covered
59 health care expenses that is submitted to a health care
60 insurer, on the claim form of the health care insurer which
61 contains substantially all of the required data elements
62 necessary for accurate adjudication, without obtaining
63 additional information from the provider of the service or
64 from a third party.

65 (4) COLLECTION. Any written or oral communication made
66 to an enrollee for the purpose of obtaining payment for the
67 services rendered by an emergency medical service provider,
68 including invoicing and legal debt collection efforts.

69 (5) COST-SHARING AMOUNT. The enrollee's deductible,
70 coinsurance, copayment, or other amount due under a health
71 care benefit plan for covered services.

72 (6) COVERED SERVICES or COVERED SERVICE. Transport and
73 medical services provided by the ground ambulance of an
74 emergency medical service provider which are covered by an
75 enrollee's health care benefit plan.

76 (7) EMERGENCY MEDICAL SERVICE PROVIDER or PROVIDER. Any
77 public or private organization that is licensed to provide
78 emergency medical services as defined in Section 22-18-1, Code
79 of Alabama 1975.

80 (8) ENROLLEE. An individual who is covered by a health
81 care benefit plan.

82 (9) HEALTH CARE BENEFIT PLAN. Any individual or group
83 plan, policy, or contract issued, delivered, or renewed in
84 this state by a health care insurer to provide, deliver,



85 arrange for, pay for, or reimburse health care services,
86 including those provided by an emergency medical service
87 provider, except for payments for health care made under
88 automobile or homeowners insurance plans, accident-only plans,
89 specified disease plans, long-term care plans, supplemental
90 hospital or fixed indemnity plans, dental and vision plans, or
91 Medicaid.

92 (10) HEALTH CARE INSURER. Any entity that issues or
93 administers a health care benefit plan, including a health
94 care insurer, a health care services plan incorporated under
95 Chapter 20 of Title 10A, Code of Alabama 1975, a health
96 maintenance organization established under Chapter 21A of
97 Title 27, Code of Alabama 1975, or a nonprofit agricultural
98 organization that offers health benefits to its membership.

99 (11) IN-NETWORK. When an emergency medical service
100 provider is in a contract with a health care insurer to
101 provide covered services in the health care insurer's provider
102 network.

103 (12) OUT-OF-NETWORK. When an emergency medical service
104 provider does not have a contract with a health care insurer
105 to provide covered services in the health care insurer's
106 provider network.

107 Section 2. (a) A health care insurer shall contract
108 with any willing emergency medical service provider to provide
109 services if the provider is willing to accept the payments and
110 terms offered comparable providers that are in-network. An
111 in-network provider shall meet licensing requirements provided
112 by law.



113 (b) The minimum reimbursement from a health insurer to
114 an emergency medical service provider that is in-network for
115 covered services shall be the greater of: (i) the amount
116 contracted between the health insurer and the emergency
117 medical service provider; or (ii) 200 percent of the Medicare
118 rate that is in effect on January 1, 2025, for the geographic
119 area in which the covered service is provided as published by
120 the Centers for Medicare and Medicaid Services.

121 (c) The minimum reimbursement amount from a health care
122 insurer to an emergency medical service provider that is
123 out-of-network for covered services shall be the lesser of:
124 (i) the emergency medical service provider's billed charge or
125 (ii) 180 percent of the Medicare rate that is in effect on
126 January 1, 2025, for the geographic area in which the covered
127 service is provided, as published by the Centers for Medicare
128 and Medicaid Services.

129 Section 3. (a) (1) Payment in accordance with Section 2
130 shall be payment in full for covered services.

131 (2) An emergency medical service provider, whether
132 in-network or out-of-network, including the provider's agent,
133 contractor, or assignee, may not bill or seek collection of
134 any amount from an enrollee which is in excess of the minimum
135 reimbursement amount as provided in Section 2, except for the
136 enrollee's in-network cost-sharing amount.

137 (3) The health care insurer shall certify an enrollee's
138 in-network cost-sharing amount to an out-of-network provider
139 upon request.

140 (b) (1) Within 30 days after receipt of a clean



141 electronic claim, or within 45 days of receipt of a clean
142 written claim, a health care insurer shall remit payment to an
143 out-of-network emergency medical service provider and shall
144 not send payment to an enrollee.

145 (2) If a claim for reimbursement submitted by an
146 emergency medical service provider to a health care insurer is
147 not a clean claim, within 30 days the health care insurer
148 shall send the provider a written receipt acknowledging the
149 claim, accompanied with one of the following applicable
150 statements:

151 a. The insurer is declining to pay all or a part of the
152 claim and the specific reason for the denial.

153 b. Additional information is necessary to determine if
154 the claim is payable and the specific additional information
155 that is required.

156 (3) In no event shall a health care insurer require the
157 provider to submit either of the following as a condition to
158 the acceptance and processing of an initial claim as a clean
159 claim:

160 a. Data elements in excess of those required on the
161 standard electronic health insurance claim format designated
162 by Section 27-1-16, Code of Alabama 1975.

163 b. Information or data elements in excess of those
164 required on the standard health insurance claim form
165 designated by Section 27-1-16, Code of Alabama 1975.

166 Section 4. (a) An emergency medical service provider
167 shall annually submit to the Alabama Department of Public
168 Health a report that includes, but is not limited to, the



169 following information for the preceding 12-month reporting
170 period:

171 (1) The number and type of emergency medical services
172 vehicles that are in service.

173 (2) The number of employees, both full- and part-time,
174 classified by position or emergency medical services provider
175 license classification.

176 (3) The total of ground ambulance transports rendered.

177 (4) The average response time for collecting a patient
178 and transporting to a medical facility.

179 (5) The gross income received in the State of Alabama
180 and the net profit.

181 (6) If the emergency medical service provider
182 distributes ownership shares to the public, the number and
183 amount of dividends issued.

184 (7) For the year of implementation of this act, the
185 amount of receipts collected by the emergency medical services
186 provider that are remitted to a parent entity, both before and
187 after implementation of any change in payment or reimbursement
188 by a health care insurer.

189 (8) For the year of implementation of this act, the
190 amount paid or reimbursed to an emergency medical service
191 provider by health care insurers, presented on a monthly or
192 quarterly basis.

193 (b) The Alabama Department of Public Health shall adopt
194 rules to implement this section, may prescribe reporting
195 periods, deadlines, and formatting of information to be
196 reported, and may require an emergency medical service



197 provider to submit operational and financial data or
198 information in addition to the information required under
199 subsection (a).

200 (c) The financial information required under
201 subdivisions (a) (5) through (8) shall be confidential and may
202 not be made public by the Alabama Department of Public Health
203 or any contractor of the department.

204 Section 5. (a) The Alabama Department of Public Health
205 shall contract with an consultant with expertise in health
206 care delivery and health care financing to study the impact of
207 this act on the provision of emergency medical services.

208 (b) The consultant shall produce a report on the
209 findings, which shall not exceed fifty thousand dollars
210 (\$50,000) in cost, the cost to be borne by the three largest
211 health care insurers as measured by the number of enrollees in
212 the State of Alabama, and which also offer individual health
213 care benefit plans on the Health Insurance Marketplace.

214 (c) In addition to findings on the impact of this act
215 on the provision of emergency medical services, the report
216 shall include, but not be limited to, the following:

217 (1) Measures taken by other states on the provision of
218 emergency medical services and the effects.

219 (2) Recommend measures that would balance the goals of
220 ensuring adequate access to emergency medical services with
221 the cost burden of such measures on the State of Alabama, its
222 employers and residents.

223 (d) The report shall be submitted to the President Pro
224 Tempore of the Senate and the Speaker of the House of



225 Representatives no later than December 1, 2028.

226 Section 6. Sections 10A-20-6.16 and 27-21A-23, Code of
227 Alabama 1975, are amended to read as follows:

228 "§10A-20-6.16

229 (a) No statute of this state applying to insurance
230 companies shall be applicable to any corporation organized
231 under this article and amendments thereto or to any contract
232 made by the corporation; except the corporation shall be
233 subject to the following:

234 (1) The provisions regarding annual premium tax to be
235 paid by insurers on insurance premiums.

236 (2) Chapter 55 of Title 27.

237 (3) Article 2 and Article 3 of Chapter 19 of Title 27.

238 (4) Section 27-1-17.

239 (5) Chapter 56 of Title 27.

240 (6) Rules adopted by the Commissioner of Insurance
241 pursuant to Sections 27-7-43 and 27-7-44.

242 (7) Chapter 54 of Title 27.

243 (8) Chapter 57 of Title 27.

244 (9) Chapter 58 of Title 27.

245 (10) Chapter 59 of Title 27.

246 (11) Chapter 54A of Title 27.

247 (12) Chapter 12A of Title 27.

248 (13) Chapter 2B of Title 27.

249 (14) Chapter 29 of Title 27.

250 (15) Chapter 62 of Title 27.

251 (16) Chapter 63 of Title 27.

252 (17) Chapter 45A of Title 27.



253 (18) Sections 2 and 3 of this act.

254 (b) The provisions in subsection (a) that require
255 specific types of coverage to be offered or provided shall not
256 apply when the corporation is administering a self-funded
257 benefit plan or similar plan, fund, or program that it does
258 not insure."

259 "§27-21A-23

260 (a) Except as otherwise provided in this chapter,
261 provisions of the insurance law and provisions of health care
262 service plan laws shall not be applicable to any health
263 maintenance organization granted a certificate of authority
264 under this chapter. This provision shall not apply to an
265 insurer or health care service plan licensed and regulated
266 pursuant to the insurance law or the health care service plan
267 laws of this state except with respect to its health
268 maintenance organization activities authorized and regulated
269 pursuant to this chapter.

270 (b) Solicitation of enrollees by a health maintenance
271 organization granted a certificate of authority shall not be
272 construed to violate any provision of law relating to
273 solicitation or advertising by health professionals.

274 (c) Any health maintenance organization authorized
275 under this chapter shall not be deemed to be practicing
276 medicine and shall be exempt from the provisions of Section
277 34-24-310, et seq., relating to the practice of medicine.

278 (d) No person participating in the arrangements of a
279 health maintenance organization other than the actual provider
280 of health care services or supplies directly to enrollees and



281 their families shall be liable for negligence, misfeasance,
282 nonfeasance, or malpractice in connection with the furnishing
283 of such services and supplies.

284 (e) Nothing in this chapter shall be construed in any
285 way to repeal or conflict with any provision of the
286 certificate of need law.

287 (f) Notwithstanding the provisions of subsection (a), a
288 health maintenance organization shall be subject to all of the
289 following:

290 (1) Section 27-1-17.

291 (2) Chapter 56.

292 (3) Chapter 54.

293 (4) Chapter 57.

294 (5) Chapter 58.

295 (6) Chapter 59.

296 (7) Rules adopted by the Commissioner of Insurance
297 pursuant to Sections 27-7-43 and 27-7-44.

298 (8) Chapter 12A.

299 (9) Chapter 54A.

300 (10) Chapter 2B.

301 (11) Chapter 29.

302 (12) Chapter 62.

303 (13) Chapter 63.

304 (14) Chapter 45A.

305 (15) Sections 2 and 3 of this act."

306 Section 7. Sections 10A-20-6.16 and 27-21A-23, Code of
307 Alabama 1975, are amended to read as follows:

308 "§10A-20-6.16



309 (a) No statute of this state applying to insurance
310 companies shall be applicable to any corporation organized
311 under this article and amendments thereto or to any contract
312 made by the corporation; except the corporation shall be
313 subject to the following:

314 (1) The provisions regarding annual premium tax to be
315 paid by insurers on insurance premiums.

316 (2) Chapter 55 of Title 27.

317 (3) Article 2 and Article 3 of Chapter 19 of Title 27.

318 (4) Section 27-1-17.

319 (5) Chapter 56 of Title 27.

320 (6) Rules adopted by the Commissioner of Insurance
321 pursuant to Sections 27-7-43 and 27-7-44.

322 (7) Chapter 54 of Title 27.

323 (8) Chapter 57 of Title 27.

324 (9) Chapter 58 of Title 27.

325 (10) Chapter 59 of Title 27.

326 (11) Chapter 54A of Title 27.

327 (12) Chapter 12A of Title 27.

328 (13) Chapter 2B of Title 27.

329 (14) Chapter 29 of Title 27.

330 (15) Chapter 62 of Title 27.

331 (16) Chapter 63 of Title 27.

332 (17) Chapter 45A of Title 27.

333 ~~(18) Sections 2 and 3 of this act.~~

334 (b) The provisions in subsection (a) that require
335 specific types of coverage to be offered or provided shall not
336 apply when the corporation is administering a self-funded



337 benefit plan or similar plan, fund, or program that it does
338 not insure."

339 "§27-21A-23

340 (a) Except as otherwise provided in this chapter,
341 provisions of the insurance law and provisions of health care
342 service plan laws shall not be applicable to any health
343 maintenance organization granted a certificate of authority
344 under this chapter. This provision shall not apply to an
345 insurer or health care service plan licensed and regulated
346 pursuant to the insurance law or the health care service plan
347 laws of this state except with respect to its health
348 maintenance organization activities authorized and regulated
349 pursuant to this chapter.

350 (b) Solicitation of enrollees by a health maintenance
351 organization granted a certificate of authority shall not be
352 construed to violate any provision of law relating to
353 solicitation or advertising by health professionals.

354 (c) Any health maintenance organization authorized
355 under this chapter shall not be deemed to be practicing
356 medicine and shall be exempt from the provisions of Section
357 34-24-310, et seq., relating to the practice of medicine.

358 (d) No person participating in the arrangements of a
359 health maintenance organization other than the actual provider
360 of health care services or supplies directly to enrollees and
361 their families shall be liable for negligence, misfeasance,
362 nonfeasance, or malpractice in connection with the furnishing
363 of such services and supplies.

364 (e) Nothing in this chapter shall be construed in any



365 way to repeal or conflict with any provision of the
366 certificate of need law.

367 (f) Notwithstanding the provisions of subsection (a), a
368 health maintenance organization shall be subject to all of the
369 following:

370 (1) Section 27-1-17.

371 (2) Chapter 56.

372 (3) Chapter 54.

373 (4) Chapter 57.

374 (5) Chapter 58.

375 (6) Chapter 59.

376 (7) Rules adopted by the Commissioner of Insurance
377 pursuant to Sections 27-7-43 and 27-7-44.

378 (8) Chapter 12A.

379 (9) Chapter 54A.

380 (10) Chapter 2B.

381 (11) Chapter 29.

382 (12) Chapter 62.

383 (13) Chapter 63.

384 (14) Chapter 45A.

385 ~~(15) Sections 2 and 3 of this act."~~

386 Section 8. Sections 1 through 6 shall be repealed on
387 June 1, 2029.

388 Section 9. This act shall become effective on January
389 1, 2026, except Section 7 shall become effective on June 1,
390 2029.

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