

# HB478 INTRODUCED



1 HB478  
2 JPI5SYN-1  
3 By Representative Oliver  
4 RFD: Insurance  
5 First Read: 20-Mar-25



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SYNOPSIS:

This bill would regulate the provision of emergency ambulance services in the state for a period of approximately four years, by imposing requirements on reimbursement by health insurers for ambulance providers that depend on whether the provider is in-network or out-of-network.

Currently, a provider that is not in a health care insurer's network may bill an insured individual for the balance of its retail charge for ground ambulance service after it has received payment from the insurer. This bill would prohibit this practice and limit the charge to an enrollee to no more than the in-network cost-sharing amount under the insurance contract.

This bill would require health insurers to reimburse an ambulance service within 30 days of receiving the claim.

During the first two years that the requirements of this bill would be in effect, the Alabama Department of Public Health would be required to study its impact on the responsiveness and availability of ambulance services, especially in rural areas of the state.



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A BILL

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TO BE ENTITLED

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AN ACT

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35 Relating to health insurance; to set requirements on  
36 reimbursement rates for ambulance services covered by health  
37 insurance plans; to prohibit balance billing of insureds who  
38 receive emergency transportation; to regulate cost-sharing for  
39 insureds and to require reimbursement within a defined period;  
40 to require the Alabama Department of Public Health to conduct  
41 a study on the effects of this act on ambulance services in  
42 the state; and to provide for the repeal of this act.

43 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

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

46 (1) CLEAN CLAIM. A reimbursement claim for covered  
47 services which is submitted to a health care insurer and which  
48 contains substantially all of the data and information  
49 necessary for accurate adjudication, without the need for  
50 additional information from the emergency medical provider  
51 service or a third party.

52 (2) COST-SHARING AMOUNT. The enrollee's deductible,  
53 coinsurance, copayment, or other amount due under a health  
54 care benefit plan for covered services.

55 (3) COVERED SERVICES or COVERED SERVICE. Those services  
56 provided by an emergency medical service provider which are



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57 covered by an enrollee's health care benefit plan, including  
58 emergency ground transport.

59 (4) EMERGENCY MEDICAL SERVICE PROVIDER. Any public or  
60 private organization that is licensed to provide emergency  
61 medical services as defined in Section 22-18-1, Code of  
62 Alabama 1975, including emergency ground transport.

63 (5) ENROLLEE. An individual who resides in the State of  
64 Alabama who is covered by a health care benefit plan.

65 (6) HEALTH CARE BENEFIT PLAN. Any individual or group  
66 plan, policy, or contract issued, delivered, or renewed in  
67 this state by a health care insurer to provide, deliver,  
68 arrange for, pay for, or reimburse health care services,  
69 including those provided by an emergency medical service  
70 provider, except for payments for health care made under  
71 automobile or homeowners insurance plans, accident-only plans,  
72 specified disease plans, long-term care plans, supplemental  
73 hospital or fixed indemnity plans, dental and vision plans, or  
74 Medicaid.

75 (7) HEALTH CARE INSURER. Any entity that issues or  
76 administers a health care benefit plan, including a health  
77 care insurer, a nonprofit health care services plan  
78 incorporated under Chapter 20, Title 10A, Code of Alabama  
79 1975, or a health maintenance organization established under  
80 Chapter 21A, Title 27, Code of Alabama 1975.

81 (8) IN-NETWORK. When an emergency medical service  
82 provider is in a contract with the health care insurer to  
83 provide covered services in the health care insurer's provider  
84 network.



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85 (9) OUT-OF-NETWORK. When an emergency medical service  
86 provider does not have a contract with a health care insurer  
87 to provide covered services in the health care insurer's  
88 provider network.

89 Section 2. (a) Every health care insurer shall provide  
90 an option for the emergency medical service provider to be  
91 in-network.

92 (b) Negotiated or contracted in-network rates shall not  
93 decrease after October 1, 2025.

94 (c) Negotiated or contracted in-network rates shall be  
95 and remain a percentage of the current published rate for  
96 ambulance services as established by the Centers for Medicare  
97 and Medicaid Services under Title XVIII of the Social Security  
98 Act for the same service provided in the same geographic area.

99 Section 3. (a) The minimum reimbursement rate for  
100 covered services under any health care benefit plan issued by  
101 a health insurer to an out-of-network emergency medical  
102 service provider shall be 185 percent of the current published  
103 rate for ambulance services as established by the Centers for  
104 Medicare and Medicaid Services under Title XVIII of the Social  
105 Security Act for the same service provided in the same  
106 geographic area.

107 (b) The cost-sharing amounts shall not exceed the  
108 in-network cost-sharing amounts for the covered health care  
109 services received by an enrollee when the services are  
110 provided by an out-of-network emergency ambulance service  
111 provider.

112 Section 4. The reimbursement rate to an emergency



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113 medical service provider for covered services under any health  
114 care benefit plan issued by a health care insurer shall be the  
115 greater of the following:

116 (1) The negotiated or contract rate for being  
117 in-network as provided in Section 2.

118 (2) The minimum reimbursement rate for covered services  
119 for an out-of-network emergency medical service provider as  
120 provided in Section 3.

121 Section 5. (a) Payment made in accordance with Section  
122 4 shall be considered payment in full for the covered services  
123 provided, except for any cost-sharing amount, noncovered  
124 service, or service considered not medically necessary  
125 required to be paid by an enrollee.

126 (b) An emergency medical service provider is prohibited  
127 from balance billing an enrollee for any additional amounts  
128 for paid covered services.

129 Section 6. A health care insurer shall not require any  
130 prior authorization for services provided by an emergency  
131 medical services provider or follow the same practices  
132 established by the Centers for Medicare and Medicaid Services  
133 under Section 1834 of Title XVIII of the Social Security Act.

134 Section 7. (a) (1) Within 30 days after receipt of a  
135 clean claim for reimbursement, a health care insurer shall  
136 remit payment to the emergency medical service provider and  
137 shall not send payment to an enrollee.

138 (2) A health care insurer shall remit payment with a  
139 specific remark code to indicate that the claim has been paid  
140 under the provisions of this act.



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141 (b) (1) If a claim for reimbursement submitted by an  
142 emergency medical service provider to a health care insurer is  
143 not a clean claim, within 30 days, the health care insurer  
144 shall send the provider a written notice acknowledging the  
145 date of receipt of the claim, accompanied with one of the  
146 following applicable statements:

147 a. The insurer is declining to pay all or a part of the  
148 claim and the specific reason or reasons for the denial.

149 b. Additional information is necessary to determine if  
150 the claim is payable and the specific additional information  
151 that is required.

152 (2) On any claim denial, the emergency medical service  
153 provider may bill the enrollee for all billed charges.

154 Section 8. (a) The Alabama Department of Public Health  
155 shall conduct a comprehensive study to determine the  
156 effectiveness of reimbursement payments paid in accordance  
157 with this act and determine whether: (i) the average response  
158 time for ambulance services in Alabama has decreased; and (ii)  
159 the number of ambulances in Alabama, especially in rural  
160 areas, has increased.

161 (b) All costs and expenses of the study shall be paid  
162 by a nonprofit health care services plan incorporated under  
163 Chapter 20, Title 10A, Code of Alabama 1975.

164 (c) The results of this study shall be provided to Blue  
165 Cross Blue Shield of Alabama and the Alabama Association of  
166 Ambulance Services no later than January 1, 2028.

167 Section 9. This act is repealed on June 1, 2029.

168 Section 10. This act shall become effective on October



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169 1, 2025.