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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.

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 an insurance contract.

This bill would require that both ground ambulance services and health care insurers submit reports on their operations, with financial information, to the Alabama Department of Public Health.

This bill would also provide for an outside expert in risk management and insurance to study and report on the effects of this act on access to ground ambulance services in the state, with recommended measures to improve access.

This bill would be repealed on June 1, 2029.



29 A BILL
30 TO BE ENTITLED
31 AN ACT
32

33 Relating to health insurance; to set requirements on
34 reimbursement rates by health care insurers for ground
35 ambulance services; to provide that the established
36 reimbursement rate is payment in full for ground ambulance
37 services; to impose reporting requirements by emergency
38 medical service providers that provide ground ambulance
39 services and health care insurers to the Alabama Department of
40 Public Health; to provide for a report on the effects of this
41 act, with recommendations for improving access to emergency
42 medical transport; 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 clean electronic claim or a clean
47 written claim.
- 48 (2) CLEAN ELECTRONIC CLAIM. As defined in Section
49 27-1-17, Code of Alabama 1975.
- 50 (3) CLEAN WRITTEN CLAIM. As defined in Section 27-1-17,
51 Code of Alabama 1975.
- 52 (4) COLLECTION. Any written or oral communication made
53 to an enrollee for the purpose of obtaining payment for the
54 services rendered by an emergency medical service provider,
55 including invoicing and legal debt collection efforts.
- 56 (5) COST-SHARING AMOUNT. The enrollee's deductible,



57 coinsurance, copayment, or other amount due under a health
58 care benefit plan for covered services.

59 (6) COVERED SERVICES or COVERED SERVICE. Transport or
60 medical services provided by the ground ambulance of an
61 emergency medical service provider which are covered by an
62 enrollee's health care benefit plan, which may include
63 emergency ground transport and treat in place.

64 (7) EMERGENCY GROUND TRANSPORT. a. When an enrollee is
65 transported by an emergency medical service provider to a
66 hospital or definitive care facility as defined in Section
67 22-18-1, Code of Alabama 1975, and which may include basic
68 life support or advanced life support, in response to a
69 medical condition described in paragraph b.

70 b. An event as defined by the Centers for Medicare and
71 Medicaid Services (CMS) that manifests itself by acute
72 symptoms of sufficient severity, including severe pain, such
73 that a prudent layperson, who possesses an average knowledge
74 of health and medicine, could reasonably expect the absence of
75 immediate medical attention to result in:

- 76 1. Placing the patient's health in serious jeopardy;
- 77 2. Serious impairment to bodily functions; or
- 78 3. Serious dysfunction of any bodily organ or part.

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

83 (9) ENROLLEE. An individual who is covered by a health
84 care benefit plan.



85 (10) HEALTH CARE BENEFIT PLAN. The term includes any
86 individual or group plan, policy, or contract issued,
87 delivered, or renewed in this state by a health care insurer
88 to provide, deliver, arrange for, pay for, or reimburse health
89 care services, including those provided by an emergency
90 medical service provider, except for payments for health care
91 made under an automobile or homeowners' insurance plan,
92 accident-only plan, specified disease plan, long-term care
93 plan, supplemental hospital or fixed indemnity plan, dental or
94 vision plan, or Medicaid.

95 (11) HEALTH CARE INSURER. Any entity that issues or
96 administers a health care benefit plan, including a health
97 care insurer, a health care services plan incorporated under
98 Chapter 20 of Title 10A, Code of Alabama 1975, a health
99 maintenance organization established under Chapter 21A of
100 Title 27, Code of Alabama 1975, or a nonprofit agricultural
101 organization that offers health benefits to its membership
102 pursuant to Chapter 33 of Title 2, Code of Alabama 1975.

103 (12) IN-NETWORK. When an emergency medical service
104 provider is in a contract with a health care insurer to
105 provide covered services in the health care insurer's provider
106 network.

107 (13) OUT-OF-NETWORK. When an emergency medical service
108 provider does not have a contract with a health care insurer
109 to provide covered services in the health care insurer's
110 provider network.

111 (14) TREAT IN PLACE. An emergency response event in
112 which an emergency medical service provider that would



113 otherwise provide the emergency ground transport assesses an
114 enrollee and renders basic life support at his or her location
115 without emergency ground transport.

116 Section 2. (a) (1) A health care insurer shall contract
117 with any willing emergency medical service provider to provide
118 covered services in the health care insurer's provider network
119 under terms extended to comparable providers that are
120 in-network.

121 (2) An in-network provider shall meet licensing
122 requirements provided by law.

123 (b) (1) Beginning October 1, 2026, the minimum
124 reimbursement from a health insurer to an emergency medical
125 service provider that is in-network for emergency ground
126 transport shall be 200 percent of the Medicare Ambulance Fee
127 Schedule rate as published by the Centers for Medicare &
128 Medicaid Services (CMS).

129 (2)a. Beginning January 1, 2027, the minimum
130 reimbursement from a health insurer to an emergency medical
131 service provider that is in-network for treat in place shall
132 be 200 percent of the Medicare Ambulance Fee Schedule rate for
133 basic life support as published by CMS which is in effect on
134 January 1, 2027.

135 b. Submission of a claim for reimbursement for treat in
136 place is prohibited if the emergency medical service provider
137 has submitted a claim for emergency ground transport for the
138 same event or occurrence.

139 (c) (1) Beginning January 1, 2027, the minimum
140 reimbursement amount from a health care insurer to an



141 emergency medical service provider that is out-of-network for
142 covered services shall be 180 percent of the Medicare
143 Ambulance Fee Schedule rate as published by CMS.

144 (2) The minimum reimbursement rate for treat in place
145 provided in paragraph (b)(2)a. shall not apply to an
146 out-of-network emergency medical service provider.

147 (d)(1) For purposes of this section, the Medicare
148 Ambulance Fee Schedule rate shall be the rate applicable to
149 zip code 35462, including the applicable Medicare base rate
150 and mileage components.

151 (2) The reimbursement rate established under this
152 section shall be applied uniformly on a statewide basis,
153 without regard to the geographic locality, population density,
154 or zip code in which the ground ambulance service is
155 furnished.

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

158 (2) An emergency medical service provider, whether
159 in-network or out-of-network, including the provider's agent,
160 contractor, or assignee, may not bill or seek collection of
161 any amount from an enrollee except for the enrollee's
162 in-network cost-sharing amount.

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

166 (b)(1) Not later than 30 days after receipt of a clean
167 electronic claim, or not later than 45 days after receipt of a
168 clean written claim, a health care insurer shall remit payment



169 to an out-of-network emergency medical service provider and
170 shall not send payment to an enrollee.

171 (2) If a claim for reimbursement submitted by an
172 emergency medical service provider to a health care insurer is
173 not a clean claim, not later than 30 days after receiving the
174 claim, the health care insurer shall send the provider a
175 written receipt acknowledging the claim, accompanied with one
176 of the following applicable statements:

177 a. The insurer is declining to pay all or a part of the
178 claim, with the specific reason for the denial.

179 b. Additional information is necessary to determine if
180 the claim is payable, with the specific additional information
181 that is required.

182 (3) In no event shall a health care insurer require the
183 provider to submit either of the following as a condition to
184 the acceptance and processing of an initial claim as a clean
185 claim:

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

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

192 (4) Any dispute between a health care insurer and an
193 emergency medical service provider over the amount to be paid,
194 or over full or partial denial of a claim, may be settled by:

195 a. Affording the provider access to the insurer's
196 internal forum for resolving provider disputes concerning



197 coverage and reimbursement amounts; and

198 b. If the dispute is not resolved in the insurer's
199 internal forum, submission of the dispute to an independent
200 dispute resolution contractor selected by mutual agreement of
201 the insurer and the provider.

202 Section 4. (a) Beginning in the year 2027, and in each
203 year thereafter, an emergency medical service provider shall
204 submit to the Alabama Department of Public Health a report
205 that includes, but is not limited to, the following
206 information for the preceding calendar year:

207 (1) The number and type of emergency medical service
208 vehicles that are in service.

209 (2) The number of employees, both full-time and
210 part-time, classified by position or emergency medical service
211 provider license classification.

212 (3) The total number of ground ambulance transports
213 rendered.

214 (4) The average response time for collecting and
215 transporting a patient to a definitive care facility.

216 (5) The gross income received by the emergency medical
217 service provider in the State of Alabama and the net profit.

218 (6) If the emergency medical service provider
219 distributes ownership shares to the public, the number and
220 amount of dividends issued.

221 (7) For the calendar year 2027, the amount of receipts
222 collected by the emergency medical service provider that are
223 remitted to a parent entity, both before and after
224 implementation of any change in payment or reimbursement by a



225 health care insurer.

226 (8) For the calendar year 2027, the amount paid or
227 reimbursed to an emergency medical service provider by health
228 care insurers, presented on a monthly or quarterly basis.

229 (b) (1) In the year 2027, a health care insurer shall
230 submit to the Alabama Department of Public Health a report on
231 claims for reimbursement submitted by emergency medical
232 service providers which presents, for each of the three
233 calendar years preceding January 1, 2027:

- 234 a. The number of denied claims;
- 235 b. The aggregate dollar value of denied claims;
- 236 c. The percentage of denied claims to approved claims;
- 237 d. The applicable out-of-pocket charge under each
238 health care benefit plan issued by the health care insurer on
239 an approved claim for covered services; and
- 240 e. The total amount paid on claims for covered
241 services, including in comparison to the total amount paid out
242 on all claims for health care services.

243 (2) Beginning in the year 2028, and in each year
244 thereafter, a health care insurer shall submit to the Alabama
245 Department of Public Health a report that includes, but may
246 not be limited to, each item of information required under
247 subdivision (1) for the preceding calendar year.

248 (c) The financial information required for submission
249 under subsections (a) and (b) shall be confidential and may
250 not be made public by the Alabama Department of Public Health
251 or any contractor of the department.

252 (d) The Alabama Department of Public Health shall adopt



253 rules to implement this section, and may prescribe reporting
254 periods, deadlines, or formatting of information to be
255 reported, and may require an emergency medical service
256 provider or health care insurer to submit operational and
257 financial data or information in addition to the information
258 required under subsections (a) and (b).

259 Section 5. (a) The Alabama Association of Ambulance
260 Services shall contract with a business school, accredited by
261 the Association to Advance Collegiate Schools of Business,
262 located at a doctoral granting regional institution with
263 research college and university Carnegie classification
264 status, which has expertise in risk management and insurance,
265 to study the impact of Sections 1 through 4 on the provision
266 of emergency medical services.

267 (b) The consultant shall produce a report on the
268 findings, which shall not exceed fifty thousand dollars
269 (\$50,000) in cost, the cost to be borne by the three largest
270 health care insurers as measured by the number of enrollees in
271 the state, and which also offer individual health care benefit
272 plans on the Health Insurance Marketplace.

273 (c) In addition to findings on the impact of Sections 1
274 through 4 on the provision of emergency medical services, the
275 report shall include, but not be limited to, the following:

276 (1) Measures taken by other states on the provision of
277 emergency medical services and the effectiveness of those
278 measures.

279 (2) Recommendations of measures that would balance the
280 goals of ensuring adequate access to emergency medical



281 services with the cost burden of such measures on the state,
282 its employers, and residents.

283 (d) The report shall be submitted to the President Pro
284 Tempore of the Senate and the Speaker of the House of
285 Representatives no later than December 1, 2028.

286 Section 6. Sections 1 through 5 are repealed on June 1,
287 2029.

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

290 "§10A-20-6.16

291 (a) No statute of this state applying to insurance
292 companies shall be applicable to any corporation organized
293 under this article and amendments thereto or to any contract
294 made by the corporation; except the corporation shall be
295 subject to the following:

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

298 (2) Chapter 55 of Title 27.

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

300 (4) Section 27-1-17.

301 (5) Chapter 56 of Title 27.

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

304 (7) Chapter 54 of Title 27.

305 (8) Chapter 57 of Title 27.

306 (9) Chapter 58 of Title 27.

307 (10) Chapter 59 of Title 27.

308 (11) Chapter 54A of Title 27.



309 (12) Chapter 12A of Title 27.

310 (13) Chapter 2B of Title 27.

311 (14) Chapter 29 of Title 27.

312 (15) Chapter 62 of Title 27.

313 (16) Chapter 63 of Title 27.

314 (17) Chapter 45A of Title 27.

315 (18) Sections 1 through 5.

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

321 "§27-21A-23

322 (a) Except as otherwise provided in this chapter,
323 provisions of the insurance law and provisions of health care
324 service plan laws shall not be applicable to any health
325 maintenance organization granted a certificate of authority
326 under this chapter. This provision shall not apply to an
327 insurer or health care service plan licensed and regulated
328 pursuant to the insurance law or the health care service plan
329 laws of this state except with respect to its health
330 maintenance organization activities authorized and regulated
331 pursuant to this chapter.

332 (b) Solicitation of enrollees by a health maintenance
333 organization granted a certificate of authority shall not be
334 construed to violate any provision of law relating to
335 solicitation or advertising by health professionals.

336 (c) Any health maintenance organization authorized



337 under this chapter shall not be deemed to be practicing
338 medicine and shall be exempt from the provisions of Section
339 34-24-310, et seq., relating to the practice of medicine.

340 (d) No person participating in the arrangements of a
341 health maintenance organization other than the actual provider
342 of health care services or supplies directly to enrollees and
343 their families shall be liable for negligence, misfeasance,
344 nonfeasance, or malpractice in connection with the furnishing
345 of such services and supplies.

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

349 (f) Notwithstanding the provisions of subsection (a), a
350 health maintenance organization shall be subject to all of the
351 following:

352 (1) Section 27-1-17.

353 (2) Chapter 56.

354 (3) Chapter 54.

355 (4) Chapter 57.

356 (5) Chapter 58.

357 (6) Chapter 59.

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

360 (8) Chapter 12A.

361 (9) Chapter 54A.

362 (10) Chapter 2B.

363 (11) Chapter 29.

364 (12) Chapter 62.



365 (13) Chapter 63.

366 (14) Chapter 45A.

367 (15) Sections 1 through 5."

368 Section 8. This act shall become effective on October
369 1, 2026.