

SENATE No. 2170

The Commonwealth of Massachusetts

PRESENTED BY:

Richard T. Moore

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the passage of the accompanying bill:
An Act Relative to an Affordable Health Plan.

PETITION OF:

NAME:	DISTRICT/ADDRESS:
Richard T. Moore	Worcester and Norfolk
Michael O. Moore	Second Worcester
Stephen M. Brewer	Worcester, Hampden, Hampshire and Franklin
Susan C. Tucker	Second Essex and Middlesex

The Commonwealth of Massachusetts

In the Year Two Thousand and Nine

An Act Relative to an Affordable Health Plan.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

SECTION 1. "Statutory Reimbursement rate" means, with respect to payment to a health care provider for services rendered to any person covered under an "Affordable Health Plan", one hundred and ten percent of the Medicare reimbursement rate for those services as if there were rendered to a Medicare beneficiary not taking into consideration any beneficiary cost sharing. For services or supplies for which there is no Medicare reimbursement amount, the amount as determined by the Division of Health Care Finance and Policy to be consistent with Medicare payment polices at a one hundred and ten percent level and approved by the Commissioner of Insurance.

(a) As a condition of doing business in the commonwealth, a carrier that offers health benefit plans to eligible small businesses and eligible individuals, as defined by chapter one hundred and seventy-six J, shall offer an "Affordable Health Plan" to all eligible individuals and small businesses, both within the Connector, for such carriers participating in the Connector, and for all such carriers outside the Connector. This "Affordable Health Plan" shall contain benefits that are actuarially equivalent to the lowest level benefit plan available to the general public within the Connector, other than the young adult plan. Payment for all services, other than outpatient pharmacy benefits, for all providers under "Affordable Health Plans" shall be consistent with the requirements as included in paragraph (b).

(b) Claims for services shall be adjudicated at the in-network benefit level or, if applicable under the terms of the plan, the out-of-network benefit level based on the participation status of the provider in the

carrier's network. Every health care provider licensed in the commonwealth which provides covered services to a person covered under "Affordable Health Plans" must provide such service to any such person, as a condition of their licensure, and must accept payment at the lowest of the statutory reimbursement rate, an amount equal to the actuarial equivalent of the statutory reimbursement rate, or the applicable contract rate with the carrier for the carrier's product offering with the lowest level benefit plan available to the general public within the Connector, other than the young adult plan, and may not balance bill such person for any amount in excess of the amount paid by the carrier pursuant to this section, other than applicable co-payments, co-insurance and deductibles.

(c) Providers shall not attempt to recoup such excess amounts by increasing charges to other health benefit plans or other payers. The Division of Health Care Finance and Policy shall monitor provider charges to ensure compliance with this section and report any non-compliance to the Attorney General. The Division of Health Care Finance and Policy shall promulgate regulations enforcing this subsection, which shall include penalties for noncompliance.

(d) Existing contracts between providers and carriers shall comply with the requirements of this Section as to the reimbursement rate and providers must provide services to individuals under "Affordable Health Plans" under such existing contracts with carriers. A provider that participates in a carrier's network or any health benefit plan may not refuse to participate in the carrier's network with respect to the "Affordable Health Plan".

SECTION 2. Section 1 of this act shall be repealed upon such date determined by the Commissioner that a common payment methodology has been implemented across all public and private payers across the commonwealth.