



# 128th MAINE LEGISLATURE

## FIRST REGULAR SESSION-2017

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Legislative Document

No. 502

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S.P. 163

In Senate, February 9, 2017

### An Act Regarding Hospital Charges and Statements

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Reference to the Committee on Insurance and Financial Services suggested and ordered printed.

A handwritten signature in cursive script that reads "Heather J.R. Priest".

HEATHER J.R. PRIEST  
Secretary of the Senate

Presented by Senator WHITTEMORE of Somerset.  
Cosponsored by Representative FOLEY of Wells and  
Senators: KATZ of Kennebec, LANGLEY of Hancock, Representatives: PICCHIOTTI of  
Fairfield, PRESCOTT of Waterboro, WALLACE of Dexter.

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

2 **Sec. 1. 22 MRSA §1718-D** is enacted to read:

3 **§1718-D. Maximum charges for hospital services and procedures**

4 A hospital may not bill an uninsured patient or a patient not covered under a health  
5 plan operating under a network agreement between the hospital and the patient's health  
6 plan for any inpatient or outpatient service or procedure at a level that exceeds 120% of  
7 the average allowable reimbursement rate under Medicare for that service or procedure.

8 **Sec. 2. 24-A MRSA §4303, sub-§21** is enacted to read:

9 **21. Disclosure of hospital charges; right to audit.** Prior to enrollment, a carrier  
10 offering a health plan in this State shall disclose to a prospective enrollee if the health  
11 plan uses a provider network that operates under a provider agreement between a  
12 participating provider and the carrier that:

13 A. Subjects the enrollee to the terms of the provider agreement upon enrollment; and

14 B. Requires reimbursement for any hospital inpatient and outpatient services and  
15 procedures at a level that exceeds 150% of the average allowable reimbursement rate  
16 under Medicare for that service or procedure.

17 A carrier may not deny an enrollee covered by a health plan described in this subsection  
18 the right to audit any hospital bill or explanation of benefits form.

19 **SUMMARY**

20 This bill prohibits a hospital from billing an uninsured patient or a patient not covered  
21 under a health plan operating under a network agreement between the hospital and the  
22 patient's health plan for any inpatient or outpatient service or procedure at a level that  
23 exceeds 120% of the average allowable reimbursement rate under Medicare for that  
24 service or procedure. The bill requires a carrier to disclose to a prospective enrollee prior  
25 to enrollment if a health plan has a provider network that operates under a provider  
26 agreement between the participating provider and carrier that subjects an enrollee to the  
27 terms of the agreement upon enrollment and that requires reimbursement for any hospital  
28 inpatient and outpatient services and procedures at a level that exceeds 150% of the  
29 average allowable reimbursement rate under Medicare for that service or procedure. For  
30 an enrollee enrolled in that type of health plan, a carrier may not deny the enrollee  
31 covered by a health plan the right to audit any hospital bill or explanation of benefits  
32 form.