
A BILL FOR AN ACT

RELATING TO INSURANCE.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. Currently, some insurers who do not have a
2 contract with the State for provision of pre-hospital ambulance
3 treatment and transport services send claim remittances or
4 direct payments to patients. This practice burdens the patient
5 with billing processing, burdens the State with the cost of
6 collection services to collect payment from the patient, and
7 creates an unnecessary situation of possible bad debt for the
8 patient.

9 The primary purpose of this Act is to require insurers,
10 mutual benefit societies, and health maintenance organizations
11 to make direct payments to the State that funds the provision of
12 pre-hospital ambulance treatment and transport services.

13 SECTION 2. Chapter 431, Hawaii Revised Statutes, is
14 amended by adding to article 10A a new section to be
15 appropriately designated and to read as follows:

16 "§431:10A- Direct payment for pre-hospital ambulance
17 treatment and transport services. (a) For purposes of this

1 section "pre-hospital ambulance treatment and transport
2 services" means ambulance treatment and transport services
3 generated through requests to the State's 911 system.

4 (b) Any accident and health or sickness insurer that
5 offers coverage for pre-hospital ambulance treatment and
6 transport services shall provide for direct payment for the
7 provision of pre-hospital ambulance treatment and transport
8 services. This subsection (b) shall not apply to any
9 transaction between the provider of pre-hospital ambulance
10 treatment and transport services and an insurer if the parties
11 have entered into a contract providing for direct payment.

12 (c) For purposes of this section, "direct payment" means:

13 (1) A claim shall be filed on behalf of the enrollee for
14 the provision of pre-hospital ambulance treatment and
15 transport services with the insurer;

16 (2) The insurer shall pay for the provision of pre-
17 hospital ambulance treatment and transport services
18 within sixty days of receipt of a claim filed by the
19 provider; and

20 (3) The provider shall not make a demand for payment from
21 the enrollee for the provision of pre-hospital
22 ambulance treatment and transport until payment has

1 been received from the insurer. Thereafter, the
2 provider may make a demand for payment from the
3 enrollee for any unpaid portion of the services
4 provided to the enrollee."

5 SECTION 3. Chapter 432, Hawaii Revised Statutes, is
6 amended by adding to article 1 a new section to be appropriately
7 designated and to read as follows:

8 "§432:1- Direct payment for pre-hospital ambulance
9 treatment and transport services. (a) For purposes of this
10 section "pre-hospital ambulance treatment and transport
11 services" means ambulance treatment and transport services
12 generated through requests to the State's 911 system.

13 (b) A mutual benefit society that offers coverage for pre-
14 hospital ambulance treatment and transport, shall provide for
15 the direct payment to the State for the provision of pre-
16 hospital ambulance treatment and transport services. This
17 subsection (b) shall not apply to any transaction between the
18 provider of pre-hospital ambulance treatment and transport
19 services and a mutual benefit society if the parties have
20 entered into a contract providing for direct payment.

21 (c) For purposes of this section, "direct payment" means:

- 1 (1) A claim shall be filed on behalf of the enrollee for
- 2 the provision of pre-hospital ambulance treatment and
- 3 transport with the mutual benefit society;
- 4 (2) The mutual benefit society shall pay for the provision
- 5 of pre-hospital ambulance treatment and transport
- 6 services within sixty days of receipt of a claim filed
- 7 by the provider; and
- 8 (3) The State shall not demand payment from the enrollee
- 9 for the provision of pre-hospital ambulance treatment
- 10 and transport provider until payment has been received
- 11 from the mutual benefit society. Thereafter, the
- 12 provider may make a demand for payment from the
- 13 enrollee for any unpaid portion of the provider's fee."

14 SECTION 4. Chapter 432D, Hawaii Revised Statutes, is
 15 amended by adding a new section to be appropriately designated
 16 and to read as follows:

17 "§432D- Direct payment for pre-hospital ambulance
 18 treatment and transport services. (a) For purposes of this
 19 section "pre-hospital ambulance treatment and transport
 20 services" means ambulance treatment and transport services
 21 generated through requests to the State's 911 system.

1 (b) A health maintenance organization that offers coverage
2 for pre-hospital ambulance treatment and transport, shall
3 provide for the direct payment for the provision of pre-hospital
4 ambulance treatment and transport services. This subsection (b)
5 shall not apply to any transaction between the provider of pre-
6 hospital ambulance treatment and transport services and a health
7 maintenance organization if the parties have entered into a
8 contract providing for direct payment.

9 (c) For purposes of this section, "direct payment" means:

10 (1) A claim shall be filed on behalf of the enrollee for
11 the provision of pre-hospital ambulance treatment and
12 transport with the health maintenance organization;

13 (2) The health maintenance organization shall pay for the
14 provision of pre-hospital ambulance treatment and
15 transport services within sixty days of receipt of a
16 claim filed by the provider; and

17 (3) The provider shall not demand payment from the
18 enrollee for the provision of pre-hospital ambulance
19 treatment and transport provider until payment has
20 been received from the health maintenance
21 organization. Thereafter, the provider may make a

1 demand for payment from the enrollee for any unpaid
2 portion of the provider's fee."

3 SECTION 5. New statutory material is underscored.

4 SECTION 6. This Act shall take effect on July 1, 2050.

Report Title:

Insurance; Direct Payment; Healthcare

Description:

Requires direct payment for the provision of pre-hospital ambulance treatment and transport services. (SD1)