2018 -- H 8207

========
LC005685
========

S T A T E   O F   R H O D E   I S L A N D

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2018

____

A N   A C T

RELATING TO INSURANCE -- MEDICAID ELIGIBLE NON-EMERGENCY MEDICAL TRANSPORTATION ACT

Introduced By: Representatives Cunha, Tobon, Shekarchi, and Shanley

Date Introduced: May 17, 2018

Referred To: House Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. Title 27 of the General Laws entitled "INSURANCE" is hereby amended
2 by adding thereto the following chapter:

3 CHAPTER 20.12

4 MEDICAID ELIGIBLE NON-EMERGENCY MEDICAL TRANSPORTATION ACT

5 **27-20.12-1. Definitions.**

6 For purposes of this chapter:

7 (1) "Broker" means a Health Insurance Portability and Accountability Act (HIPAA, Pub.
8 L. 104-191, 110 Stat. 1936 enacted August 21, 1996) covered entity that contracts with the
9 executive office of health and human services to deliver non-emergency medical transport
10 services.

11 (2) "Claim" means:

12 (i) A bill or invoice for covered services;

13 (ii) A line item of service; or

14 (iii) All services for a provider within a bill or invoice.

15 (3) "Date of receipt" means the date the broker receives the claim via electronic
16 submission.

17 (4) "Medicaid non-emergency medical transportation program provider" or "provider"
18 means an entity that provides transportation for eligible Medicaid beneficiaries to and from non-

1 emergency medical appointments and services for those who have a legitimate need for the
2 transportation assistance.
3 (5) "Substantial compliance" means that the broker is processing and paying ninety-five
4 percent (95%) or more of all claims within the time frame provided for in § 27-20.12-2(a).
5 **27-20.12-2. Prompt processing of claims.**
6 (a) Every Medicaid non-emergency medical transportation program broker ("broker")
7 operating in the state shall be in substantial compliance with this chapter, and must utilize a
8 billing and remittance system which maintains electronic data interchange ("EDI") compliance to
9 HIPAA 5010 guidelines for electronic transmission of health care payment and benefit
10 information by using standard EDI 835 and 837 transaction sets. Every broker shall pay all
11 complete claims for covered transportation services submitted to the broker by a Medicaid non-
12 emergency medical transportation provider ("provider") within fourteen (14) calendar days
13 following the date of receipt of a complete electronic claim. Claims shall be defined by current
14 HIPAA standards and EDI transaction sets and the broker shall distribute the standard to all
15 participating providers.
16 (b) Every broker that denies or pends a claim, shall have ten (10) calendar days from
17 receipt of the claim to notify the provider, via EDI compliant remittance, of any and all reasons
18 for denying or pending the claim and what, if any, additional information is required to process
19 the claim. No broker may limit the time period in which additional information may be submitted
20 to complete a claim.
21 (c) Any claim that is resubmitted by a provider shall be processed by the broker pursuant
22 to the provisions of subsection (a) of this section.
23 (d) Every broker that fails to reimburse the provider after receipt by the broker of a
24 complete claim within the required timeframes shall pay to the provider who submitted the claim,
25 in addition to any reimbursement for transportation services provided, interest which shall accrue
26 at the rate of twelve percent (12%) per annum commencing on the fifteenth (15th) day after
27 receipt of a complete electronic claim and ending on the date the payment is issued to the
28 provider.
29 (e) Any provision in any contract between the broker and provider which contains terms
30 inconsistent with this chapter shall be void as against public policy to the extent of the
31 inconsistencies.
32 **27-20.12-3. Exceptions to claim processing.**
33 (a) No broker operating within this state shall be in violation of this chapter for failure to
34 timely process a claim submitted by a provider if:

1 (1) Failure to comply is caused by a directive from a court or federal or state agency;
2 (2) The broker is in liquidation or rehabilitation or is operating in compliance with a court
3 ordered plan of rehabilitation; or
4 (3) The broker's compliance is rendered impossible due to matters beyond its control that
5 are not caused by it.
6 (b) No broker operating in the state shall be in violation of this chapter for any claim:
7 (1) Initially submitted more than ninety (90) days after the service is rendered; or
8 (2) Re-submitted more than ninety (90) days after the date the provider received the
9 notice provided for in this section; provided, this exception shall not apply in the event
10 compliance is rendered impossible due to matters beyond the control of the provider and were not
11 caused by the provider.
12 (c) No broker operating in the state shall be in violation of this chapter while the claim is
13 pending due to a fraud investigation by a state or federal agency.
14 (d) No broker operating in the state shall be obligated under this chapter to pay interest to
15 any provider for any claim if the director of the department of business regulation finds that the
16 entity or plan is in substantial compliance with this section. A broker seeking such a finding from
17 the director shall submit any documentation that the director shall require. A broker which is
18 found to be in substantial compliance with this section shall thereafter submit any documentation
19 that the director may require on an annual basis for the director to assess ongoing compliance
20 with this section.
21 **27-20.12-4. Annual reporting.**
22 The executive office of health and human services shall annually report to the house and
23 senate finance committees the following information regarding brokers:
24 (1) Total number of Medicaid recipients served in the non-emergency medical
25 transportation services (NEMT) program;
26 (2) Total number of trips scheduled;
27 (3) Total number of trips provided;
28 (4) Total number of trips cancelled;
29 (5) Total number of trips denied, including explanation for denial;
30 (6) Average length of time to pay claims submitted by provider;
31 (7) Number of providers participating in the program by year, beginning with FY 2017;
32 (8) Average reimbursement rates for Rhode Island non-emergency medical
33 transportation, by trip category;
34 (9) Average reimbursement rates for Massachusetts and Connecticut non-emergency

1 medical transportation, by trip category;

2 (10) Total number of complaints received, including information regarding source of the

3 complaint to include, but not limited to, complaints received from recipients, providers, facilities;

4 (11) Percentage of cases for which claims have the required documentation from

5 provider;

6 (12) Safety records from provider; and

7 (13) Any instances of internal fraud or abuse including, but not limited to, fraud or abuse

8 committed by brokers or providers.

9 SECTION 2. This act shall take effect upon passage.

========
LC005685
========

EXPLANATION

BY THE LEGISLATIVE COUNCIL

OF

A N A C T

RELATING TO INSURANCE -- MEDICAID ELIGIBLE NON-EMERGENCY MEDICAL TRANSPORTATION ACT

***

1 This act would provide for the payment of Medicaid eligible non-emergency medical
2 transportation services within fourteen (14) days of submission of a completed claim and would
3 provide for twelve percent (12%) interest to be paid for late payment unless a specific condition
4 exists. This act would also mandate annual reporting by the executive office of health and human
5 services related to Medicaid eligible non-emergency medical transportation services.

6 This act would take effect upon passage.

========
LC005685
========