

**SENATE
STATE OF MINNESOTA
NINETIETH SESSION**

S.F. No. 3556

(SENATE AUTHORS: BENSON)

DATE
03/19/2018

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Introduction and first reading
Referred to Commerce and Consumer Protection Finance and Policy

OFFICIAL STATUS

1.1 A bill for an act
1.2 relating to health; prohibiting prepayment by a network provider; amending
1.3 Minnesota Statutes 2016, sections 62J.25; 62K.11.

1.4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.5 Section 1. Minnesota Statutes 2016, section 62J.25, is amended to read:

1.6 **62J.25 MANDATORY MEDICARE ASSIGNMENT.**

1.7 (a) Effective January 1, 1993, a health care provider shall not charge to or collect from
1.8 a Medicare beneficiary who is a Minnesota resident any amount in excess of 115 percent
1.9 of the Medicare-approved amount for any Medicare-covered service provided.

1.10 (b) Effective January 1, 1994, a health care provider shall not charge to or collect from
1.11 a Medicare beneficiary who is a Minnesota resident any amount in excess of 110 percent
1.12 of the Medicare-approved amount for any Medicare-covered service provided.

1.13 (c) Effective January 1, 1995, a health care provider shall not charge to or collect from
1.14 a Medicare beneficiary who is a Minnesota resident any amount in excess of 105 percent
1.15 of the Medicare-approved amount for any Medicare-covered service provided.

1.16 (d) Effective January 1, 1996, a health care provider shall not charge to or collect from
1.17 a Medicare beneficiary who is a Minnesota resident any amount in excess of the
1.18 Medicare-approved amount for any Medicare-covered service provided.

1.19 (e) This section does not apply to ambulance services as defined in section 144E.001,
1.20 subdivision 3, or medical supplies and equipment. A vendor of medical supplies and
1.21 equipment that does not accept assignment under the federal Medicare program with respect
1.22 to a purchase or lease of Medicare-covered supplies or equipment shall notify any purchaser

2.1 who is a Medicare beneficiary and Minnesota resident, prior to the purchase, or at any time
2.2 upon the request of the purchaser, that the vendor charges an amount in excess of the
2.3 Medicare-approved amount.

2.4 (f) Health carriers must include language in all network provider contracts prohibiting
2.5 providers from requiring prepayment for any amount covered by the health plan, and any
2.6 amount in excess of the allowable amount the health carrier has contracted for with the
2.7 provider as the total payment for the health care services.

2.8 Sec. 2. Minnesota Statutes 2016, section 62K.11, is amended to read:

2.9 **62K.11 BALANCE BILLING PROHIBITED.**

2.10 (a) A network provider is prohibited from billing an enrollee for any amount in excess
2.11 of the allowable amount the health carrier has contracted for with the provider as total
2.12 payment for the health care service. A network provider is permitted to bill an enrollee the
2.13 approved co-payment, deductible, or coinsurance.

2.14 (b) A network provider is permitted to bill an enrollee for services not covered by the
2.15 enrollee's health plan as long as the enrollee agrees in writing in advance before the service
2.16 is performed to pay for the noncovered service.

2.17 (c) Health carriers must include language in all network provider contracts prohibiting
2.18 providers from requiring prepayment for any amount covered by the health plan, and any
2.19 amount in excess of the allowable amount the health carrier has contracted for with the
2.20 provider as the total payment for the health care services.