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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-NINTH SESSION

H. F. No. 2725

03/08/2016 Authored by Halverson, Freiberg, Mullery, Schultz, Ecklund and others

The bill was read for the first time and referred to the Committee on Health and Human Services Reform

1.1 A bill for an act
1.2 relating to health care cost containment; modifying coverage and billing
1.3 requirements; proposing coding for new law in Minnesota Statutes, chapter 62Q;
1.4 repealing Minnesota Statutes 2014, section 62K.11.

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

1.6 Section 1. **[62Q.556] UNAUTHORIZED PROVIDER SERVICES.**

1.7 Subdivision 1. Unauthorized provider services. (a) Except as provided in
1.8 paragraph (c), unauthorized provider services occur when an enrollee receives services:

1.9 (1) from a nonparticipating provider at a participating hospital or ambulatory
1.10 surgical center, when the services are rendered:

1.11 (i) due to the unavailability of a participating provider;

1.12 (ii) by a nonparticipating provider without the enrollee's knowledge; or

1.13 (iii) due to the need for unforeseen services arising at the time the services are
1.14 being rendered;

1.15 (2) from a nonparticipating provider in a participating provider's practice setting
1.16 under circumstances not described in clause (1);

1.17 (3) from a participating provider, but the services are not covered by the health plan;

1.18 (4) from a participating provider that sends a specimen taken from the enrollee in the
1.19 participating provider's practice setting to a nonparticipating laboratory, pathologist, or
1.20 other medical testing facility; or

1.21 (5) not described in clause (3) or (4) that are performed by a nonparticipating
1.22 provider, if a referral for the services is required by the health plan.

1.23 (b) Unauthorized provider services do not include emergency services as defined
1.24 in section 62Q.55, subdivision 3.

2.1 (c) The services described in paragraph (a), clauses (2) to (5), are not unauthorized
2.2 provider services if the enrollee gives advance written consent to the provider
2.3 acknowledging that the use of a provider, or the services to be rendered, may result in
2.4 costs not covered by the health plan.

2.5 Subd. 2. **Prohibition.** A health plan company shall not impose coverage restrictions
2.6 or limitations on unauthorized provider services that are more restrictive than those that
2.7 apply to services received by the enrollee from a participating provider. All cost-sharing
2.8 requirements for unauthorized provider services, including co-payments, deductibles, or
2.9 coinsurance, must be the same as the cost-sharing requirements applicable to services
2.10 received by the enrollee from a participating provider.

2.11 **EFFECTIVE DATE.** This section is effective January 1, 2017, and applies to health
2.12 plans offered, issued, or renewed to a Minnesota resident on or after that date.

2.13 Sec. 2. **[62Q.557] BALANCE BILLING PROHIBITED.**

2.14 A participating provider is prohibited from billing an enrollee for any amount in
2.15 excess of the allowable amount the health plan company has contracted for with the
2.16 provider as total payment for the health care services. A participating provider is permitted
2.17 to bill an enrollee the approved co-payment, deductible, or coinsurance.

2.18 **EFFECTIVE DATE.** This section is effective January 1, 2017, and applies to health
2.19 plans offered, issued, or renewed to a Minnesota resident on or after that date.

2.20 Sec. 3. **REPEALER.**

2.21 Minnesota Statutes 2014, section 62K.11, is repealed effective January 1, 2017.

APPENDIX
Repealed Minnesota Statutes: 16-5932

62K.11 BALANCE BILLING PROHIBITED.

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

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