

PROPOSED

SENATE AMENDMENTS TO S.B. 1024

(Reference to printed bill)

1 Strike everything after the enacting clause and insert:

2 "Section 1. Section 20-3111, Arizona Revised Statutes, is amended to
3 read:

4 20-3111. Definitions

5 In this article, unless the context otherwise requires:

6 1. "Arbitration" means a dispute resolution process in which an
7 impartial arbitrator determines the dollar amount a health care provider is
8 entitled to receive for payment of a surprise out-of-network bill.

9 2. "Arbitrator" means an impartial person who is appointed to
10 conduct an arbitration.

11 3. "Billing company" means any affiliated or unaffiliated company
12 that is hired by a health care provider or health care facility to
13 coordinate the payment of bills with health insurers and to generate or
14 bill and collect payment from enrollees on the health care provider's or
15 health care facility's behalf.

16 4. "Contracted provider" means a health care provider that has
17 entered into a contract with a health insurer to provide health care
18 services to the health insurer's enrollees at agreed on rates.

19 5. "Cost sharing requirements" means an enrollee's applicable
20 out-of-network coinsurance, copayment and deductible requirements under a
21 health plan based on the adjudicated claim.

22 6. "Emergency services" has the same meaning prescribed in section
23 20-2801.

24 7. "Enrollee" means an individual who is eligible to receive
25 benefits through a health plan.

1 8. "Health care facility" has the same meaning prescribed in section
2 36-437.

3 9. "Health care provider" means a person who is licensed, registered
4 or certified as a health care professional under title 32 or a laboratory
5 or durable medical equipment provider that furnishes services to a patient
6 in a network facility and that separately bills the patient for the
7 services.

8 10. "Health care services" means treatment, services, medications,
9 tests, equipment, devices, durable medical equipment, laboratory services
10 or supplies rendered or provided to an enrollee for the purpose of
11 diagnosing, preventing, alleviating, curing or healing human disease,
12 illness or injury.

13 11. "Health insurer" means a disability insurer, group disability
14 insurer, blanket disability insurer, HEALTH CARE SERVICES ORGANIZATION,
15 hospital service corporation or medical service corporation that provides
16 health insurance in this state.

17 12. "Health plan" means a group or individual health plan that
18 finances or furnishes health care services and that is issued by a health
19 insurer.

20 13. "Network facility" means a health care facility that has entered
21 into a contract with a health insurer to provide health care services to
22 the health insurer's enrollees at agreed on rates.

23 14. "Surprise out-of-network bill" means a bill for a health care
24 service that was provided in a network facility by a health care provider
25 that is not a contracted provider and that meets one of the requirements
26 listed in section 20-3113.

27 Sec. 2. Section 20-3112, Arizona Revised Statutes, is amended to
28 read:

29 20-3112. Applicability

30 A. THIS ARTICLE APPLIES TO A SELF-FUNDED OR SELF-INSURED EMPLOYEE
31 BENEFIT PLAN THAT IS OTHERWISE PREEMPTED FROM STATE REGULATION BY THE
32 EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974 (P.L. 93-406; 88 STAT. 829;

1 29 UNITED STATES CODE SECTION 1144(b)) IF THE ENTITY THAT ADMINISTERS THE
2 PLAN ENTERS INTO A WRITTEN AGREEMENT WITH THE DEPARTMENT PURSUANT TO
3 SECTION 20-3120 TO VOLUNTARILY COMPLY WITH THE REQUIREMENTS OF THIS
4 ARTICLE.

5 B. This article does not apply to:

6 1. Health care services that are not covered by the enrollee's
7 health plan.

8 2. Limited benefit coverage as defined in section 20-1137.

9 3. Charges for health care services that are subject to a direct
10 payment agreement under section 32-3216 or 36-437.

11 ~~4. Health plans that do not include coverage for out-of-network
12 health care services, unless otherwise required by law.~~

13 ~~5. State health and accident coverage for full-time officers and
14 employees of this state and their dependents that is provided pursuant to
15 title 38, chapter 4, article 4.~~

16 ~~6.~~ 4. EXCEPT AS PROVIDED IN SUBSECTION A OF THIS SECTION, a
17 self-funded or self-insured employee benefit plan if the regulation of that
18 plan is preempted by the employee retirement income security act of 1974
19 (P.L. 93-406; 88 Stat. 829; 29 United States Code section 1144(b)).

20 Sec. 3. Title 20, chapter 20, article 2, Arizona Revised Statutes,
21 is amended by adding section 20-3120, to read:

22 20-3120. Self-funded and self-insured employee benefit plans;
23 voluntary compliance; fee

24 AN ENTITY THAT ADMINISTERS A SELF-FUNDED OR SELF-INSURED EMPLOYEE
25 BENEFIT PLAN THAT IS OTHERWISE PREEMPTED FROM STATE REGULATION BY THE
26 EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974 (P.L. 93-406; 88 STAT. 829;
27 29 UNITED STATES CODE SECTION 1144(b)) MAY ENTER INTO A WRITTEN AGREEMENT
28 WITH THE DEPARTMENT IN WHICH THE ENTITY AGREES TO COMPLY WITH THE
29 REQUIREMENTS PRESCRIBED IN THIS ARTICLE AND THE DEPARTMENT AGREES TO ALLOW
30 THE PLAN'S ENROLLEES TO PARTICIPATE IN THE DISPUTE RESOLUTION AND
31 ARBITRATION PROCEEDINGS PRESCRIBED IN THIS ARTICLE. THE DEPARTMENT MAY

1 CHARGE THE ENTITY A FEE FOR ENTERING INTO A WRITTEN AGREEMENT PURSUANT TO
2 THIS SECTION IN AN AMOUNT TO BE DETERMINED BY THE DIRECTOR.

3 Sec. 4. Intent

4 The legislature intends that the fee the department of insurance and
5 financial institutions charges pursuant to section 20-3120, Arizona Revised
6 Statutes, as added by this act, cover the costs of administering the
7 dispute resolution and arbitration proceedings prescribed in title 20,
8 chapter 20, article 2, Arizona Revised Statutes, as amended by this act,
9 for entities that administer self-funded or self-insured employee benefit
10 plans that are otherwise preempted from state regulation by the employee
11 retirement income security act of 1974 (P.L. 93-406; 88 Stat. 829; 29
12 United States Code section 1144(b)) and that choose to participate in the
13 dispute resolution and arbitration proceedings prescribed in title 20,
14 chapter 20, article 2, Arizona Revised Statutes, as amended by this act."

15 Amend title to conform

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