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Insurance Bulletin # 213

Payment for Out-of-Network Emergency Ambulance Services

April 22, 2020 (corrected May 6, 2021)

When an out-of-network ambulance service provides emergency medical treatment to a member, the Department's view is that Vermont law requires the health insurer to reimburse the ambulance provider directly for the cost of the services rather than sending payment to the member.

Section ~~2680(a~~) 2689(a) of Title 24 provides that "[w]hen an ambulance service provides emergency medical treatment to a person who is insured by a health insurance policy, plan, or contract that provides benefits for emergency medical treatment, the health insurer shall reimburse the ambulance service directly, subject to the terms and conditions of the health insurance policy, plan, or contract."

It is the Insurance Division's position that the words "subject to the terms and conditions of the health insurance policy" refer to the question of whether the policy covers the provision of emergency ambulance services in the first instance. This interpretation is supported by the language of Section 2689(b), which provides, in part, that Section 2689 shall not be construed "to require a health insurer to provide coverage for services not otherwise covered under the insured's policy, plan or contract." Interpreting the words "subject to the terms and conditions of the health insurance policy" as allowing insurers to adopt a policy of reimbursing members rather than service providers for out-of-network ambulance services would render meaningless ~~§ 2680(a)'s~~ the requirement that payment be provided directly to the ambulance service.

The Division's interpretation of ~~Sections 2680 and~~ Section 2689 is consistent with the requirements of Section 2.4(B) of Department Rule H-2009-03 (Revised) relating to access to care in emergency situations. Section 2.4(B) provides that, when a medical emergency, as determined by a prudent layperson, causes a member of a managed care organization to obtain medically appropriate emergency services from an out-of-

network provider, the managed care organization shall cover those services with "no additional liability to the member" and shall be responsible for defending the member against any payment request that exceeds the amount the managed care organization paid to the emergency services provider. Requiring health insurers to reimburse out-of-network ambulance services directly for emergency treatment facilitates the achievement of Section 2.4(B)'s requirement that members be held financially harmless in such situations.

Inquiries concerning this bulletin should be directed to Emily Brown, Director of Rates and Forms, at (802) 828-4871 or Christina Rouleau, Director of Market Regulation, at (802) 828-2910.

Michael S. Pieciak, Commissioner

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Date

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