

ONE HUNDRED FIFTH LEGISLATURE - FIRST SESSION - 2017
COMMITTEE STATEMENT
LB480

Hearing Date: Monday February 13, 2017
Committee On: Banking, Commerce and Insurance
Introducer: McCollister
One Liner: Provide requirements relating to health benefit plan coverage for insureds in jail custody

Roll Call Vote - Final Committee Action:
Advanced to General File with amendment(s)

Vote Results:
Aye: 8 Senators Baker, Brewer, Craighead, Kolterman, Lindstrom, McCollister, Schumacher, Williams
Nay:
Absent:
Present Not Voting:

Verbal Testimony:

Proponents: Senator John McCollister Mark Foxall Elaine Menzel Eric Dunning	Representing: Introducer Douglas County NE Assn. of County Officials Blue Cross Blue Shield of NE
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Opponents:	Representing:
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Neutral:	Representing:
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Summary of purpose and/or changes:

This bill would provide that a health insurer may not deny reimbursement for any covered service or supply or cancel the coverage of an insured if: (a) the insured is in custody pending disposition of charges; (b) the insured receives publicly funded medical care while in custody; or (c) the care was provided to the insured by an employee or contractor of a political subdivision who meets the credentialing criteria of the health benefit plan.

The bill would provide that an insurer shall reimburse a political subdivision for the costs of covered services or supplies provided to an insured in custody, pending disposition of charges, in an amount not less than 115 percent of the Medicare rate for the service or supply.

The bill would provide that the insurer may: (a) deny coverage for the treatment of injuries resulting from a violation of law; (b) exclude covered services provided to an insured in custody from requirements for reporting quality outcomes or performance; (c) impose utilization controls; (d) impose requirements for billing and medical coding; (e) deny coverage of diagnostic tests or health evaluations required for all individuals in custody pending disposition of charges; (f) limit coverage of hospital and ambulatory surgical center services provided to an insured in custody to services provided by in-network hospitals and ambulatory surgical centers; and (g) reimburse an out-of-network renal dialysis facility at the in-network or out-of-network rate for dialysis provided to an insured in custody.

The bill would provide that an insurer may not refuse to credential a health care provider who is an employee or

contractor of a political subdivision because the employee or contractor provides services in a facility operated by the political subdivision.

The bill would provide that it does not (a) impair any right of an employer to remove an employee from health benefit plan coverage, (b) release insurers from the requirement to coordinate benefits, and (c) limit an insurer's right to rescind coverage in accordance with law.

The bill would provide that a political subdivision may not pay health benefit plan premiums on behalf of a person in custody.

The bill would provide that it would apply to reimbursement claims on or after January 1, 2018.

Explanation of amendments:

The committee amendments would restructure and clarify the bill. The amendments would add definitions for: (1) "health insurance policy;" (2) "jail;" (3) "pending disposition of charges;" and (4) "temporary custody."

The committee amendments would provide that an insurer shall pay claims for covered services or supplies provided by an out-of-network health care provider to an insured who is in temporary custody in an amount that is not less than one hundred percent instead of one hundred fifteen percent of the medicare rate for such services or supplies.

The committee amendments would provide that an insurer may cancel coverage or deny coverage for services or supplies provided to an insured who is incarcerated after the disposition of charges.

Brett Lindstrom, Chairperson