

LEGISLATURE OF NEBRASKA
ONE HUNDRED FIFTH LEGISLATURE
FIRST SESSION

LEGISLATIVE BILL 480

Introduced by McCollister, 20; Lindstrom, 18.

Read first time January 17, 2017

Committee: Banking, Commerce and Insurance

- 1 A BILL FOR AN ACT relating to insurance; to provide requirements relating
- 2 to health benefit plans and coverage of insureds in jail custody.
- 3 Be it enacted by the people of the State of Nebraska,

1 Section 1. (1) Except as provided in subsection (3) of this
2 section, an insurer offering a health benefit plan may not deny
3 reimbursement for any service or supply covered by the plan or cancel the
4 coverage of an insured under the plan if:

5 (a) The insured is in the custody of a jail pending disposition of
6 charges;

7 (b) The insured receives publicly funded medical care while in such
8 custody; and

9 (c) The care was provided to the insured by an employee or
10 contractor of a political subdivision who meets the credentialing
11 criteria of the health benefit plan.

12 (2) An insurer shall reimburse a political subdivision for the costs
13 of covered services or supplies provided to an insured who is in custody,
14 pending the disposition of charges, in an amount that is no less than one
15 hundred fifteen percent of the medicare rate for the service or supply.

16 (3) An insurer offering a health benefit plan may:

17 (a) Deny coverage for the treatment of injuries resulting from a
18 violation of law;

19 (b) Exclude from any requirements for reporting quality outcomes or
20 performance, any covered services provided to an insured in custody;

21 (c) Impose utilization controls under the health benefit plan that
22 apply to the services provided to insureds who are not in custody by in-
23 network providers, including a requirement for prior authorization;

24 (d) Impose the requirements for billing and medical coding for
25 covered services provided to an insured in custody that the insurer
26 imposes on other providers;

27 (e) Deny coverage of diagnostic tests or health evaluations
28 required, as a matter of course, for all individuals who are in custody
29 pending disposition of charges;

30 (f) Limit coverage of hospital and ambulatory surgical center
31 services provided to an insured in custody to services provided by in-

1 network hospitals and ambulatory surgical centers; and

2 (g) Reimburse an out-of-network renal dialysis facility at either
3 the in-network or the out-of-network rate paid by the insurer for
4 dialysis provided to an insured in custody.

5 (4)(a) An insurer may not refuse to credential a health care
6 provider who is an employee or contractor of a political subdivision on
7 the basis that the employee or contractor provides services in a facility
8 operated by the political subdivision.

9 (b) If an insurer refuses to credential a health care provider who
10 is an employee or contractor of a political subdivision, the insurer must
11 give written notice to the provider explaining the reasons for the
12 refusal.

13 (5) This section does not:

14 (a) Impair any right of an employer to remove an employee from
15 coverage under a health benefit plan;

16 (b) Release insurers from the requirement to coordinate benefits for
17 persons who are insured by more than one insurer; or

18 (c) Limit an insurer's right to rescind coverage in accordance with
19 law.

20 (6) A political subdivision may not pay health benefit plan premiums
21 on behalf of a person who is in custody.

22 (7) This act applies to claims for reimbursement on or after January
23 1, 2018.