

NCOIL Task Force Regarding Air Ambulance Balance Billing

The frequency of balance billing disputes between health insurers and air medical service providers has increased over the last few years. These disputes adversely affect consumers and jeopardize the availability of this valuable, life-saving service.

The purpose of this task force is to better understand the underlying reasons for such disputes and to craft a mutually acceptable voluntary dispute resolution process that meets the needs and concerns of all stakeholders. The focus of this task force is on emergency, out-of-network transports by licensed air medical services providers when requested by a qualified/authorized first responder and/or physician.

The following questions are intended to identify and explain the relevant objective factors giving rise to this issue and are directed to insurers and/or providers as indicated, although any interested party is welcome to respond. **Please send responses to any of these questions to NCOIL Support Services Legislative Director Will Melofchik at wmelofchik@ncoil.org by April 28, 2017.**

1. Are these balance billing disputes equally common across all states? If not, in which states are significant disputes occurring? Are there common characteristics of these states and, if so, what are those characteristics? Are there any state laws or regulations that either help or hinder resolution of these disputes and, if so, please elaborate (be specific).
2. How are providers dispatched in emergency situations?
3. How is an emergency transport defined? When is the determination made and by whom? Can these determinations be contested after the service has been provided and, if so, how frequently does this occur? What is the effect of a contested determination?
4. What percentage of emergency transports are covered by (1) commercial insurance, (2) government program, or (3) no insurance?
5. What percentage of emergency transports are out-of-network by state? What is the range of charges that are contested?
6. What percentage of out-of-network transports result in balance billing disputes by state? How are contested charges currently handled?
7. How many providers are there by state? Have there been significant increases or decreases in the number of providers? If so, please indicate the percentage of change by state.
8. For insurers, how many air medical service providers are in your network by state? Are you accepting new providers? For providers, how many insurer networks does your company belong to by state? Are you pursuing membership in additional networks?
9. What is the appropriate basis for determining usual, reasonable and/or customary charges? Please be specific and include all fixed and variable components. Do charges vary significantly between hospital-owned and non-hospital-owned providers; between for profit and non-profit providers? If so, please explain.
10. For providers, to the extent not detailed above, please describe the necessary equipment, technology, staffing, etc. necessary to provide emergency air medical services.
11. Is there any objective data available on the air ambulance industry's costs?
12. What are the current Medicare, Medicaid and other government program reimbursement rates? How are these rates determined and by whom? When were the current rates set? Are these rates adequate? If not, what is the average rate of inadequacy?
13. Should Federal law be changed to allow state regulation of this issue? If so, what regulations should state lawmakers consider? Are state regulators currently able to regulate out-of-network charges by other, non-exempt medical providers? How do state regulators currently regulate balance billing disputes involving other, non-exempt medical providers?

