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CHIEF EXECUTIVE OFFICER: Thomas B. Considine



**PRESIDENT:** Rep. Steve Riggs, KY  
**VICE PRESIDENT:** Sen. Jason Rapert, AR  
**SECRETARY:** Rep. Bill Botzow, VT  
**TREASURER:** Rep. Matt Lehman, IN

**IMMEDIATE PAST PRESIDENT:**  
Sen. Travis Holdman, IN

## **NCOIL Air Ambulance Task Force Conference Call**

**Thursday, June 8, 2017, 10:00 A.M. (EST)**

### **Agenda**

1. Discussion: Scope of Issue
2. Proposed Two-Prong NCOIL Strategy
  - a. NCOIL Resolution and Sense of the Body Resolution
  - b. NCOIL Model law
3. Discussion
  - a. Task Force Members
  - b. Interested Persons
4. Task Force Motions
5. Any other business
6. Adjournment

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## **National Conference of Insurance Legislators (NCOIL)**

### **Resolution Urging the United States Congress to Amend the Airline Deregulation Act of 1978 to Authorize States to Regulate Air Ambulance Billing**

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*\*Sponsored by Sen. Bob Hackett (OH)*

**WHEREAS**, air ambulance services have become increasingly necessary and are being used more frequently to transport patients to faraway hospitals; and

**WHEREAS**, many states are reporting that some air ambulance providers are not affiliated with a hospital and do not contract with an insurance carrier; and

**WHEREAS**, this creates numerous situations in which air ambulances are being called to airlift individuals in both emergency and non-emergency situations and are billing these individuals for out-of-network charges; and

**WHEREAS**, these charges can cost patients tens of thousands of dollars in out-of-pocket expenses when companies do not accept a patient's insurance; and

**WHEREAS**, emergency patients rarely are in a position, or have the capacity, to choose their own air ambulance carrier; and

**WHEREAS**, some air ambulance carriers refuse to reveal actual costs to insurers, and some insurers are unwilling to pay billed charges for the service; and

**WHEREAS**, Medicare reimbursements cover only a small portion of the actual cost of an air ambulance, forcing air ambulances to charge patients more; and

**WHEREAS**, the air ambulance industry has high fixed costs, including aircraft, pilots, and trained medical staff; and

**WHEREAS**, increased competition forces these costs to be recouped from a smaller number of flights, leading to higher prices; and

**WHEREAS**, the Airline Deregulation Act of 1978 declared that "States may not enact or enforce a law, regulation, or other provision having the force and effect of law related to a price, route, or service of an air carrier"; and

**WHEREAS**, various states have attempted to pass laws to protect consumers from out-of-network air ambulance bills, but courts have determined that these laws are preempted by the Airline Deregulation Act of 1978; and

**WHEREAS**, the Airline Deregulation Act of 1978 should be amended to recognize states' jurisdiction granted to them under the McCarran Ferguson Act and allow states flexibility to protect consumers from excessive out-of-network charges by regulating how air ambulance carriers are reimbursed, participate in networks, balance bill, and make information transparent to consumers, all matters central to the business of insurance; and

**WHEREAS**, Senator Jon Tester (D-MT) has introduced S. 471, the "Isla Rose Life Flight Act" during the 115<sup>th</sup> Congress, that amends the Airline Deregulation Act of 1978 to permit states to "enact or enforce a law, regulation, or other provision having the force and effect of law relating to network participation, reimbursement and balance billing, or transparency for an air carrier that provides air ambulance service"; and

**NOW, THEREFORE, BE IT RESOLVED**, that NCOIL urges the U.S. Congress to pass S. 471, thereby permitting the states to regulate air ambulance billing in an effort to protect consumers from crippling and often life-altering out-of-network air ambulance bills; and

**AND, BE IT FINALLY RESOLVED**, that a copy of this Resolution be sent to the U.S. Senate Majority Leader, the U.S. Senate Minority Leader, the Speaker of the House, the House Minority Leader, the members of the U.S. Senate Committee on Commerce, Science, and Transportation, Federal and State insurance legislators and regulators, and other interested parties.

State of \_\_\_\_\_ Legislative Resolution

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*\*Sponsored by*

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**NOW, THEREFORE, BE IT RESOLVED**, that this Legislative Body urges the U.S. Congress to pass S. 471, thereby permitting the states to regulate air ambulance billing in an effort to protect consumers from crippling and often life-altering out-of-network air ambulance bills; and

**AND, BE IT FINALLY RESOLVED**, that a copy of this Resolution be sent to the U.S. Senate Majority Leader, the U.S. Senate Minority Leader, the Speaker of the House, the House Minority Leader, the members of the U.S. Senate Committee on Commerce, Science, and Transportation, Federal and State insurance legislators and regulators, and other interested parties.