



THE STATE
of **ALASKA**
GOVERNOR SEAN PARNELL

Department of
Health and Social Services

ALASKA COMMISSION ON AGING

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February 18, 2014

Senator Bert Stedman
Alaska Capitol, Room 30
Juneau, Alaska 99801-1182

Regarding: Support SB 159, Air Ambulance Services

Dear Senator Stedman:

The Alaska Commission on Aging (ACoA) is pleased to express our support for SB 159 which would allow air ambulance providers to offer Medevac services through an affordable membership program to Alaskans. We believe that this legislation is good public policy that can result in significant savings from out-of-pocket expenses related to lifesaving emergency medical transport services particularly for those who are low-income, which includes many older Alaskans living on a fixed income. This bill is authored by you and co-sponsored by Senator Egan.

Medevac services are particularly important for critically ill and injured patients residing in rural and remote communities who require emergency transport to hospitals with levels of care not locally available. This service provides safe, efficient medical transport for the patient and their family members utilizing skilled staff trained in emergency life support and critical medical care.

Medevac ambulatory services are expensive which may, at times, exceed a cost of \$100,000 and can cause significant financial hardship for Alaskans paying out-of-pocket for this service, including many seniors with compromised health conditions and limited incomes who live in rural and isolated areas. Air ambulance membership programs, such as the AirCare program, were allowed in Alaska under a regulatory exemption it received from the Alaska Division of Insurance. However, that exemption was removed in November 2013 when the division concluded that the membership program no longer operated under a business model that met current exemptions provided by state law.

The Commission first became aware of this situation when an elderly couple from Southeast Alaska contacted ACoA to express their concern and frustration when they were unable to renew their membership with Airlift Northwest AirCare membership plan in December 2013. As consistent supporters of the AirCare membership program since its inception, they had witnessed first-hand how critically ill patients were previously transported to Seattle for medical care. During the "dark ages," as the seniors explained, the "patient had to pay for ten seats on a commercial plane, nine for the stretcher and one for the attending nurse, with all patient care conducted in full view of passengers sitting in the main cabin." We also learned of the importance of this program for older Alaskans during the Commission's rural outreach visit to the Copper Center region last fall when we met with local seniors and health care providers.

Passage of SB 159 will allow air ambulance programs, such as Airlift Northwest and other licensed organizations, to offer membership services to Alaskans who desire affordable supplemental coverage to help defray the cost of an emergency medical flight. We appreciate your leadership and that provided by Senator Egan in sponsoring this legislation to allow continuation of AirCare membership plans at an affordable cost to cover the cost of expensive Medevac services. Thank you for your support of this legislation.

Sincerely,



Mary E. Shields
Chair, Alaska Commission on Aging

Sincerely,



Denise Daniello
ACoA Executive Director

Cc: Senator Dennis Egan