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HOUSE CS FOR SENATE BILL NO. 159(L&C)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-EIGHTH LEGISLATURE - SECOND SESSION

BY THE HOUSE LABOR AND COMMERCE COMMITTEE

Offered: 4/13/14

Referred: Rules

Sponsor(s): SENATORS STEDMAN, Egan, Olson, McGuire, Micciche, Stevens, Dyson, Bishop

REPRESENTATIVES Muñoz, Peggy Wilson, Kreiss-Tomkins, Josephson

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to air ambulance service providers, air ambulance membership**
2 **agreements, and regulation of air ambulance service providers and air ambulance**
3 **membership agreements by the division of insurance; and providing for an effective**
4 **date."**

5 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

6 *** Section 1.** AS 18.08 is amended by adding a new section to read:

7 **Sec. 18.08.095. Air ambulance service.** An air ambulance service provider
8 that provides air ambulance services to an individual covered under an air ambulance
9 membership agreement with the provider may not deny emergency medical services to
10 any person on the basis that the person is not covered under an air ambulance
11 membership agreement. In this section, "air ambulance membership agreement" and
12 "air ambulance service provider" have the meanings given in AS 21.61.110.

13 *** Sec. 2.** AS 21 is amended by adding a new chapter to read:

14 **Chapter 61. Air Ambulance Membership Agreements.**

1 **Sec. 21.61.100. Air ambulance membership agreement.** (a) An air
2 ambulance service provider that meets the requirements of AS 21.61.105 may offer an
3 air ambulance membership agreement.

4 (b) The term of an air ambulance membership agreement may not exceed one
5 year, but may be renewed annually.

6 (c) An air ambulance membership agreement may not include a provision that
7 requires an air ambulance service provider to pay for or indemnify a person for
8 services provided by a third party, including a third party that is another air ambulance
9 service provider.

10 **Sec. 21.61.105. Registration of air ambulance service providers.** (a) An air
11 ambulance service provider that offers an air ambulance membership agreement shall
12 register biennially with the director on a form prescribed by the director.

13 (b) At the time of registration, an air ambulance service provider shall supply
14 the director with evidence that the air ambulance service provider

15 (1) has been certified as meeting the minimum standards prescribed by
16 the Department of Health and Social Services under AS 18.08.082(a)(3); and

17 (2) has been in operation in the state for at least two years, or meets
18 solvency requirements established by the director in regulation.

19 **Sec. 21.61.106. Other provisions applicable.** (a) In addition to the provisions
20 of this chapter, the following provisions of this title apply to air ambulance service
21 providers and air ambulance membership agreements to the extent applicable and not
22 in conflict with the express provisions of this chapter and the reasonable implications
23 of the express provisions:

24 (1) AS 21.36;

25 (2) AS 21.42.

26 (b) When applying the provisions listed in (a) of this section, the director shall
27 treat an air ambulance service provider as an insurer and an air ambulance
28 membership agreement as an excepted benefits insurance policy under AS 21.54.160.

29 (c) Except as provided in this section, an air ambulance service provider or an
30 air ambulance membership agreement that complies with this chapter is not otherwise
31 subject to this title.

1 **Sec. 21.61.109. Regulations.** The director may adopt regulations to implement
2 this chapter.

3 **Sec. 21.61.110. Definitions.** In AS 21.61.100 - 21.61.110,

4 (1) "air ambulance" means a publicly or privately owned aircraft
5 intended to be used and maintained or operated to provide critical care ambulance
6 services, air medevacs, and medevac services for the transportation of individuals who
7 are sick, injured, wounded, or otherwise helpless;

8 (2) "air ambulance membership agreement" means an agreement in
9 exchange for consideration, to pay for, indemnify, or provide an amount or benefit to a
10 person for the cost of air ambulance services;

11 (3) "air ambulance service provider" means a person that owns or
12 operates an air ambulance;

13 (4) "consideration" means a membership fee, receipt of insurance
14 proceeds, performance of a service, waiver of a right, or anything of value.

15 * **Sec. 3.** AS 21.87.010(b)(5) is repealed.

16 * **Sec. 4.** This Act takes effect immediately under AS 01.10.070(c).