

**Kentucky Department of Insurance  
Financial Impact Statement**

**Health Benefit Mandate**

- I. The proposed HB 171 HCS (BR 467) relating to emergency air ambulance services will not materially impact the administrative expenses of insurers.
- II. The proposed HB 171 (BR 467) relating to emergency air ambulance services will not increase premiums.
- III. The proposed HB 171 (BR 467) relating to emergency air ambulance services legislation will not increase the total cost of health care in the Commonwealth.

The conclusion is based upon review of the proposed legislation, which is specifically adding emergency air ambulance services to the current KRS section 311A which currently requires ambulance providers to provide run data to the Kentucky Board of Emergency Medical Services. The legislation proposed to specifically add “air ambulance providers” licensed and operating in Kentucky to report charges billed for services to the Kentucky Board of Emergency Medical Services and requires the Kentucky Board of Emergency Medical Services to determine and report the average cost of all air ambulance services to the Department of Insurance. In addition, using this provided average cost, new language is required for all health benefit plans issued in Kentucky to include one of two notices concerning emergency air ambulance transport that informs the insured whether emergency air ambulance is covered and if so, specify limits of the coverage. This change is not expected to materially impact the current utilization or cost patterns for emergency air ambulance.



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Kecia Rockoff, FSA, MAAA  
Optum  
January 22, 2015

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(Signature of Commissioner/Date)  
**FIS Actuarial Form 6-03**