

**COMMONWEALTH OF KENTUCKY STATE FISCAL NOTE STATEMENT
LEGISLATIVE RESEARCH COMMISSION
2016 REGULAR SESSION**

MEASURE

2016 BR NUMBER **1877**

SENATE BILL NUMBER **285**

RESOLUTION NUMBER _____

AMENDMENT NUMBER _____

SUBJECT/TITLE **An ACT relating to emergency health services.**

SPONSOR **Senator Buford**

NOTE SUMMARY

FISCAL ANALYSIS: ☐ IMPACT ☒ NO IMPACT ☐ INDETERMINABLE IMPACT

LEVEL(S) OF IMPACT: ☐ STATE ☐ LOCAL ☐ FEDERAL

BUDGET UNIT(S) IMPACT: _____

FUND(S) IMPACT: ☐ GENERAL ☐ ROAD ☐ FEDERAL ☐ RESTRICTED AGENCY _____ ☐ OTHER

FISCAL SUMMARY

FISCAL ESTIMATES	2015-2016	2016-2017	2017-2018	ANNUAL IMPACT AT FULL IMPLEMENTATION
REVENUES				
EXPENDITURES				
NET EFFECT				

() indicates a decrease/negative

MEASURE'S PURPOSE:

SB 285 requires health benefit providers in Kentucky to plainly state what level of coverage each plan has regarding air ambulance services. This measure includes data collection for determination of average costs of service, as well as maximum coverage delivered by providers.

PROVISIONS/MECHANICS:

Section 1 creates a new section of KRS Chapter 311A to require the Kentucky Board of Emergency Medical Services to obtain a record of the charges billed for services provided by all air ambulance providers and determine the average cost of such services in the state. The average cost is to be provided to the Commissioner of the Department of Insurance, which will be subject to the Open Records Act; however the individual records provided shall be deemed proprietary and not subject to the Open Records Act. The Board will promulgate administrative regulations to establish a form on which an air ambulance service will record the necessary information to determine the average cost of all air ambulance services operating in the state.

Section 2 amends KRS 311A.190 to require each air ambulance provider operating in the state to

provide the board with information regarding charges for services provided in the Commonwealth.

Section 3 creates a new section of Subtitle 17A of KRS Chapter 304 to require insurers offering health benefit plans in Kentucky issued or renewed on or after the effective date of this act that provide coverage for emergency air ambulance transport to annually submit the maximum coverage for emergency air ambulance services under every health benefit plan offered by that insurer. This information will be proprietary, confidential, and not subject to the Open Records Act. Each benefit plan issued in Kentucky shall conspicuously include one of the included notices to state what level of coverage the plan provides for emergency air ambulance services and the average cost for such services for the past three years. The Commissioner of the Department of Insurance shall review all health benefit plans offered in the state to determine if the insurer has met the requirements of this act. The Commissioner will also determine the average coverage of emergency air ambulance services provided by health benefit plans offered in Kentucky and provide that information to all insurers offering health benefits in the state every three years, including the average cost and average coverage amount offered by health benefit plans issued in this state.

Section 4 amends KRS 304.17A-580 to add transportation in medical emergencies whether in-network or out of network and without prior authorization to the services insurers must pay at the usual and customary rate of the air ambulance service provider.

Section 5 amends KRS 304.17A-702 to require insurers to pay the total amount of the claim directly to the air ambulance service. Any portion not in dispute must be paid in full and notice must be provided in writing or electronically as to the reasons the remaining portion of the claim will not be paid.

FISCAL EXPLANATION: The Kentucky Board of Emergency Medical Services currently tracks the cost of mileage and lift-off fees for air ambulance services. The Department of Insurance does not expect there to be any state fiscal impact from this measure.

DATA SOURCE(S): LRC Staff and DOI

PREPARER: Stephanie Rich **NOTE NUMBER:** 141 **REVIEW:** JRS **DATE:** 3/8/2016