
A BILL FOR AN ACT

RELATING TO AIR AMBULANCE SERVICES.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that patients are able to
2 receive care in emergency situations at health care facilities
3 that serve communities throughout the State. However, sometimes
4 a patient may need to be transferred to another health care
5 facility in order to receive continuing care or a higher level
6 of care. Because of the unique geography of Hawaii, many of
7 these patients must be transferred to another health care
8 facility by air ambulance services. These transfers can be very
9 costly, considering the specialized equipment and technology
10 that is required.

11 While many patients are covered by their health benefits
12 insurance for these services, there have been cases where
13 patients are transported using an air ambulance service that
14 does not contract with the covered patient's health insurance
15 carrier. In a case where a non-contracted air ambulance service
16 is used, the health carrier determines an appropriate payment
17 for the air ambulance provider. The patient is then expected to
18 cover the difference between what the provider charged and what



1 the health carrier pays. This places the patient in the middle
2 between the health carrier and the non-contracted air ambulance
3 service when the non-contracted air ambulance service bills the
4 patient for the difference. This practice is referred to as
5 balance billing. Balance bills can cause a significant
6 financial burden on patients. The legislature believes that
7 transferring health care facilities should utilize air ambulance
8 services that are covered by the person's health insurance
9 carrier, except as otherwise permitted in this Act.

10 The purpose of this Act is to require all health care
11 facilities, when transferring a patient to another health care
12 facility via air ambulance for receiving continuing or higher
13 level care, to first request transport services from an air
14 ambulance that is contracted with the patient's health carrier.
15 If the contracted air ambulance service is not available, then
16 the transferring health care facility must notify the health
17 carrier of the use of a non-contracted air ambulance service to
18 transport the patient. Exceptions are made to ensure the safety
19 of a patient if a contracted air ambulance service is not
20 available in a reasonable amount of time based on the acuity of
21 the patient's condition.



1 SECTION 2. The Hawaii Revised Statutes is amended by
2 adding a new chapter within title 24 to be appropriately
3 designated and to read as follows:

4 "CHAPTER

5 TRANSFERS UTILIZING

6 AIR AMBULANCE SERVICES PROVIDERS

7 § -1 Definitions. For purposes of this chapter:

8 "Air ambulance" means any privately or publicly owned fixed
9 wing or rotor wing aircraft that is specially designed or
10 constructed, equipped pursuant to section 11-72-29, Hawaii
11 Administrative Rules, intended to be used for and maintained or
12 operated for the transportation of patients with medical
13 conditions who are unable to use other means of transportation.

14 "Contracted air ambulance service" means an air ambulance
15 service that is contracted with a health carrier.

16 "Covered person" means a policyholder, subscriber,
17 enrollee, or other individual participating in a health benefit
18 plan, offered or administered by a person or entity, including
19 an insurer governed by article 10A of chapter 431, mutual
20 benefit society governed by article 1 of chapter 432, and health
21 maintenance organization governed by chapter 432D.



1 "Facility" means a hospital licensed under section
2 321-14.5.

3 "Health carrier" means the covered person's health plan,
4 including an insurer governed by article 10A of chapter 431, a
5 mutual benefit society governed by article 1 of chapter 432, and
6 a health maintenance organization governed by chapter 432D.

7 "Non-contracted air ambulance service" means an air
8 ambulance service that is not contracted with a health carrier.

9 "Receiving facility" means the facility to which the
10 covered person is being transported.

11 "Transfer" means the transportation of a covered person, by
12 air ambulance from the transferring facility to the receiving
13 facility.

14 "Transferring facility" means the facility from which the
15 covered person is being transported.

16 "Transferring physician" means the physician at the
17 transferring facility who is responsible for the care of the
18 covered person who is being transferred.

19 § -2 **Contracted air ambulance service notification.**
20 Health carriers shall provide a list of all contracted air
21 ambulance services in the area to facilities on an annual basis



1 and as necessary to update changes in contracted air ambulance
2 services. Health carriers shall also provide to facilities
3 contact information for notification purposes if a non-
4 contracted air ambulance service will be used to transport a
5 covered person.

6 § -3 **Utilizing contracted air ambulance services.**

7 Transferring facilities shall utilize an air ambulance service
8 that contracts with the covered person's health carrier, except
9 as provided in section -4.

10 § -4 **Transport by contracted air ambulance service not**
11 **timely available.** (a) If, in the opinion and medical judgment
12 of the transferring physician:

13 (1) The health carrier's contracted air ambulance
14 service's estimate of the covered person's pick up
15 time at the transferring facility, as documented by
16 the transferring facility in the covered person's
17 medical record or in writing by the covered person's
18 contracted air ambulance service, taking into
19 consideration the timeframe for other forms of
20 transportation such as the use of ground ambulance
21 from the transferring facility to an airport, is too



1 late considering the covered person's medical
2 condition; or

3 (2) The transit time is not medically indicated for the
4 covered person, taking into account the acuity of the
5 covered person's medical condition,

6 the transferring facility shall notify the health carrier of the
7 use of a non-contracted ambulance service.

8 (b) The receipt of the notification pursuant to subsection
9 (a) shall not be considered an agreement by the health carrier
10 or the transferring or receiving facility to pay the non-
11 contracted ambulance service's charge as billed.

12 (c) If the health carrier acknowledges the use of a non-
13 contracted ambulance service, this acknowledgment shall not be
14 considered to be an agreement by the health carrier or the
15 transferring or receiving facility to pay the non-contracted
16 ambulance service's charge as billed."

17 SECTION 3. This Act shall take effect upon its approval
18 and shall apply to all transfers occurring on or after the date
19 of approval regardless of any existing arrangements that the
20 transferring facility may have with an ambulance service.

21 SECTION 4. This Act shall take effect upon its approval.



Report Title:

Emergency Health Care; Air Ambulance Units; Balance Billing

Description:

Requires health care facilities to use transport services from an air ambulance that is contracted with the patient's health carrier when transferring the patient to another health care facility via air ambulance, except under certain conditions. Requires notification if a non-contracted air ambulance service is utilized. (SD1)

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