

4712--E

2011-2012 Regular Sessions

I N S E N A T E

April 15, 2011

Introduced by Sen. RITCHIE -- read twice and ordered printed, and when printed to be committed to the Committee on Insurance -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- recommitted to the Committee on Insurance in accordance with Senate Rule 6, sec. 8 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the insurance law, in relation to air ambulance subscription services; and providing for the repeal of such provisions upon the expiration thereof

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

1 Section 1. Section 1108 of the insurance law is amended by adding a
2 new subsection (k) to read as follows:
3 (K) AN AIR AMBULANCE SERVICE THAT HOLDS A VALID AMBULANCE SERVICE
4 OPERATING CERTIFICATE ISSUED BY THE DEPARTMENT OF HEALTH PURSUANT TO
5 SECTION THREE THOUSAND FIVE OF THE PUBLIC HEALTH LAW AND THAT COMPLIES
6 WITH SECTION ONE THOUSAND ONE HUNDRED TWENTY-FOUR OF THIS ARTICLE.
7 S 2. The insurance law is amended by adding a new section 1124 to read
8 as follows:
9 S 1124. AIR AMBULANCE SERVICE SUBSCRIPTION CERTIFICATE. (A) AN AIR
10 AMBULANCE SERVICE THAT HOLDS A VALID AMBULANCE SERVICE OPERATING CERTIF-
11 ICATE ISSUED BY THE DEPARTMENT OF HEALTH PURSUANT TO SECTION THREE THOU-
12 SAND FIVE OF THE PUBLIC HEALTH LAW AND A VALID AIR AMBULANCE SERVICE
13 SUBSCRIPTION CERTIFICATE ISSUED BY THE SUPERINTENDENT PURSUANT TO
14 SUBSECTION (B) OF THIS SECTION MAY ENTER INTO A SUBSCRIPTION AGREEMENT
15 WITH A PERSON OR OTHER ENTITY IN THIS STATE UNDER WHICH THE AIR AMBU-

EXPLANATION--Matter in *ITALICS* (underscored) is new; matter in brackets [] is old law to be omitted.

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1 LANCE SERVICE AGREES TO DISCOUNT OR WAIVE ANY PART OF ITS FEES FOR
2 SERVICE IN THE EVENT THAT THE AIR AMBULANCE SERVICE TRANSPORTS A PERSON
3 BY AIRCRAFT TO, FROM OR BETWEEN GENERAL HOSPITALS OR OTHER HEALTH CARE
4 FACILITIES.

5 (B) THE SUPERINTENDENT MAY ISSUE AN AIR AMBULANCE SERVICE SUBSCRIPTION
6 CERTIFICATE TO ANY ENTITY THAT IS TRUSTWORTHY TO ACT IN SUCH CAPACITY
7 AND THAT HAS COMPLIED WITH THE PREREQUISITES HEREIN PRESCRIBED. THE AIR
8 AMBULANCE SERVICE MUST HOLD A VALID AMBULANCE SERVICE OPERATING CERTIF-
9 ICATE ISSUED BY THE DEPARTMENT OF HEALTH PURSUANT TO SECTION THREE THOU-
10 SAND FIVE OF THE PUBLIC HEALTH LAW THAT AUTHORIZES THE AMBULANCE SERVICE
11 TO PROVIDE SERVICES BY AIRCRAFT. THE AIR AMBULANCE SERVICE MUST ALSO
12 OBTAIN, AND MAINTAIN THROUGHOUT THE TERM OF ITS AIR AMBULANCE SERVICE
13 SUBSCRIPTION CERTIFICATE, A SURETY BOND ISSUED BY AN AUTHORIZED INSURER
14 AND PAYABLE TO AIR AMBULANCE SERVICE SUBSCRIBERS TO REFUND UNEARNED
15 SUBSCRIPTION FEES PAID TO THE AIR AMBULANCE SERVICE.

16 (C) THE APPLICATION FOR AN AIR AMBULANCE SERVICE SUBSCRIPTION CERTIF-
17 ICATE SHALL BE IN SUCH FORM OR FORMS, AND SHALL CONTAIN SUCH INFORMATION
18 AS THE SUPERINTENDENT SHALL PRESCRIBE. THE AIR AMBULANCE SERVICE SHALL
19 WITH THE SUBMISSION OF THE APPLICATION ALSO SUBMIT PROOF THAT IT HAS
20 OBTAINED THE SURETY BOND REQUIRED IN SUBSECTION (B) OF THIS SECTION AND
21 A COPY OF ITS AMBULANCE SERVICE OPERATING CERTIFICATE ISSUED BY THE
22 DEPARTMENT OF HEALTH PURSUANT TO SECTION THREE THOUSAND FIVE OF THE
23 PUBLIC HEALTH LAW.

24 (D) AN AIR AMBULANCE SERVICE SUBSCRIPTION CERTIFICATE SHALL BE VALID
25 FOR A TERM OF TWO YEARS TO RUN CONCURRENTLY WITH, AND TERMINATE ON THE
26 SAME DATE AS, THE TERM OF THE AIR AMBULANCE SERVICE'S OPERATING CERTIF-
27 ICATE ISSUED BY THE DEPARTMENT OF HEALTH PURSUANT TO SECTION THREE THOU-
28 SAND FIVE OF THE PUBLIC HEALTH LAW. AT THE TIME OF APPLICATION FOR EVERY
29 SUCH CERTIFICATE, AND FOR EVERY RENEWAL THEREOF, AN APPLICANT SHALL PAY
30 TO THE SUPERINTENDENT THE SUM OF ONE THOUSAND DOLLARS.

31 (E) IF AN APPLICANT FILES AN APPLICATION FOR A RENEWAL CERTIFICATE
32 WITH THE SUPERINTENDENT BEFORE THE EXPIRATION OF SUCH CERTIFICATE, THEN
33 THE CERTIFICATE SOUGHT TO BE RENEWED SHALL CONTINUE IN FULL FORCE AND
34 EFFECT EITHER UNTIL THE ISSUANCE BY THE SUPERINTENDENT OF THE RENEWAL
35 CERTIFICATE APPLIED FOR OR UNTIL FIVE DAYS AFTER THE SUPERINTENDENT
36 SHALL HAVE REFUSED TO ISSUE SUCH RENEWAL CERTIFICATE AS PROVIDED IN THIS
37 SECTION.

38 (F) THE SUPERINTENDENT MAY REFUSE TO RENEW, REVOKE, OR SUSPEND AN AIR
39 AMBULANCE SERVICE SUBSCRIPTION CERTIFICATE FOR A PERIOD THE SUPERINTEN-
40 DENT DETERMINES, IF AFTER NOTICE AND HEARING, THE SUPERINTENDENT DETER-
41 MINES THAT AN APPLICANT OR CERTIFICATE HOLDER HAS: (1) NOT OBTAINED OR
42 MAINTAINED THE SURETY BOND REQUIRED BY SUBSECTION (B) OF THIS SECTION OR
43 (2) DEMONSTRATED UNTRUSTWORTHINESS, INCLUDING HAVING VIOLATED THIS
44 SECTION.

45 (G) THE COMMISSIONER OF HEALTH SHALL IMMEDIATELY NOTIFY THE SUPER-
46 INTENDENT WHEN THE COMMISSIONER HAS REVOKED, SUSPENDED, LIMITED, OR
47 ANNULLED AN AIR AMBULANCE SERVICE OPERATING CERTIFICATE. AN AIR AMBU-
48 LANCE SERVICE SUBSCRIPTION CERTIFICATE ISSUED PURSUANT TO THIS SECTION
49 SHALL TERMINATE BY OPERATION OF LAW UPON THE EFFECTIVE DATE OF THE REVO-
50 CATION, SUSPENSION, OR ANNULMENT OF THE AIR AMBULANCE SERVICE'S OPERAT-
51 ING CERTIFICATE BY THE COMMISSIONER.

52 (H) AN AIR AMBULANCE SERVICE SHALL FILE ITS SUBSCRIPTION AGREEMENT
53 FORMS WITH THE SUPERINTENDENT IN CONNECTION WITH ITS APPLICATION OR ANY
54 RENEWAL APPLICATION FOR AN AIR AMBULANCE SERVICE SUBSCRIPTION CERTIF-
55 ICATE. AN AIR AMBULANCE SERVICE THAT AMENDS ITS SUBSCRIPTION AGREEMENT
56 FORMS SHALL FILE THE REVISED FORMS WITH THE SUPERINTENDENT PRIOR TO

1 USING THE FORMS IN THIS STATE, PROVIDED THAT WHERE THE AMENDMENTS TO THE
2 FORMS ARE ONLY TECHNICAL OR NON-SUBSTANTIATIVE, THE AIR AMBULANCE
3 SERVICE MAY FILE THE REVISED FORMS AT OR BEFORE THE TIME IT RENEWS ITS
4 AIR AMBULANCE SERVICE SUBSCRIPTION CERTIFICATE.

5 (I) THE SUBSCRIPTION AGREEMENT FORMS SHALL: (1) EXPRESSLY STATE THAT
6 THE SUBSCRIPTION IS NOT A GUARANTEE FOR THE PROVISION OF MEDICAL TREAT-
7 MENT OR TRANSPORT; (2) LIST THE CONDITIONS UNDER WHICH THE AIR AMBULANCE
8 SERVICE MAY NOT PROVIDE MEDICAL TREATMENT OR TRANSPORT; AND (3) STATE
9 THAT A SUBSCRIBER MAY FILE A COMPLAINT WITH THE DEPARTMENT, AND INCLUDE
10 THE DEPARTMENT'S WEBSITE AND MAILING ADDRESS.

11 (J) AN AIR AMBULANCE SUBSCRIPTION AGREEMENT MAY: (1) CONDITION A
12 DISCOUNT OR WAIVER OF ANY PART OF THE FEES UPON THE AIR AMBULANCE
13 SERVICE RECEIVING AN ASSIGNMENT OF INSURANCE PAYMENTS, OR OTHER RIGHT TO
14 REIMBURSEMENT OR RECOVERY, FOR THE AIR AMBULANCE SERVICES; (2) PROVIDE
15 FOR A DISCOUNT OR WAIVER OF ANY PART OF THE FEES FOR AIR AMBULANCE
16 SERVICE PROVIDED BY AN ENTITY AFFILIATED WITH THE AIR AMBULANCE SERVICE
17 THAT IS DULY AUTHORIZED TO PROVIDE THE AMBULANCE SERVICES IN THE JURIS-
18 DICTION IN WHICH THE SERVICES ARE RENDERED; AND (3) COVER TWO OR MORE
19 PERSONS, SUCH AS FAMILY MEMBERS, EMPLOYEES, OCCUPANTS OF A SPECIFIED
20 PREMISES, OR ANOTHER GROUP OF PERSONS WITH A COMMON RELATIONSHIP WITH
21 ONE ANOTHER. FOR PURPOSES OF THIS SECTION, AN ENTITY IS AFFILIATED WITH
22 AN AIR AMBULANCE SERVICE WHERE THE ENTITY AND THE AIR AMBULANCE SERVICE
23 HAVE ENTERED INTO AN AGREEMENT TO PROVIDE RECIPROCAL AIR AMBULANCE
24 SERVICES TO EACH OTHER'S SUBSCRIBERS.

25 (K) A SUBSCRIBER'S INSURER, WITH RESPECT TO A HEALTH INSURANCE POLICY
26 OR CONTRACT DELIVERED OR ISSUED FOR DELIVERY IN THIS STATE, SHALL NOT
27 TAKE INTO CONSIDERATION ANY DISCOUNT OR FEE WAIVER GIVEN TO THE
28 SUBSCRIBER BY THE AIR AMBULANCE SERVICE WHEN DETERMINING THE BENEFIT
29 PAYABLE UNDER THE HEALTH INSURANCE POLICY OR CONTRACT FOR AIR AMBULANCE
30 SERVICES.

31 (L) THE SUPERINTENDENT SHALL NOTIFY THE COMMISSIONER OF HEALTH WHENEVER
32 THE SUPERINTENDENT ISSUES, RENEWS, REFUSES TO RENEW, REVOKES OR
33 SUSPENDS AN AIR AMBULANCE SERVICE SUBSCRIPTION CERTIFICATE.

34 (M) THE SUPERINTENDENT MAY PROMULGATE REGULATIONS IMPLEMENTING THIS
35 SECTION.

36 S 3. This act shall take effect on the ninetieth day after it shall
37 have become a law and shall expire and be deemed repealed 3 years after
38 such effective date.