

S T A T E O F N E W Y O R K

7821--E

2011-2012 Regular Sessions

I N A S S E M B L Y

May 18, 2011

Introduced by M. of A. MAGNARELLI -- Multi-Sponsored by -- M. of A. KOLB -- read once and referred to the Committee on Insurance -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- again reported from said committee with amendments, ordered reprinted as amended and recommitted to said committee -- recommitted to the Committee on Insurance in accordance with Assembly Rule 3, sec. 2 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- again reported from said committee with amendments, ordered reprinted as amended and recommitted to said committee -- again reported from said committee with amendments, 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

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

LBD10652-22-2

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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