

1 AN ACT relating to air ambulance memberships.

2 *Be it enacted by the General Assembly of the Commonwealth of Kentucky:*

3 ➔SECTION 1. A NEW SECTION OF KRS CHAPTER 367 IS CREATED TO
4 READ AS FOLLOWS:

5 *(1) As used in this section:*

6 *(a) "Air ambulance membership agreement":*

7 *1. Means an agreement in exchange for consideration to pay for,*
8 *indemnify, or provide an amount to a member for the cost of air*
9 *ambulance services; and*

10 *2. Does not include a health insurance policy, certificate, plan, or*
11 *contract that is regulated under KRS Chapter 304;*

12 *(b) "Air ambulance membership organization" means an individual or entity*
13 *that sells, offers, or provides an air ambulance membership agreement; and*

14 *(c) "Member" means an individual who is entitled to benefits under an air*
15 *ambulance membership agreement.*

16 *(2) An air ambulance membership organization shall not knowingly sell, offer, or*
17 *provide an air ambulance membership agreement to an individual who is*
18 *enrolled to receive Medicaid benefits under KRS Chapter 205.*

19 *(3) (a) A member that becomes a Medicaid enrollee under KRS Chapter 205*
20 *during the duration of an air ambulance membership agreement may notify*
21 *the air ambulance membership organization of the enrollment.*

22 *(b) An air ambulance membership organization that receives a notification*
23 *under paragraph (a) of this subsection shall:*

24 *1. Terminate the air ambulance membership agreement with the member*
25 *within thirty (30) days of receipt of the notice; and*

26 *2. If the notification is received within thirty (30) days following the*
27 *effective date of the member's Medicaid enrollment, provide the*

1 member a prorated refund of any consideration paid for the air
2 ambulance membership agreement, starting on the effective date of
3 the Medicaid enrollment.

4 (4) (a) All air ambulance membership agreement websites, brochures, and
5 marketing material shall include the following disclosures, or alternatively,
6 a clear and conspicuous hyperlink that leads to the following disclosures:

7 "The air ambulance membership agreement is a membership plan and is
8 not insurance coverage.

9 The Kentucky Medicaid program covers air ambulance transport services
10 and requires no out-of-pocket expense by the enrollee for air
11 ambulance transport services.

12 Some state laws prohibit Medicaid beneficiaries from being offered air
13 ambulance memberships or being accepted into air ambulance
14 membership programs. If an individual submits an air ambulance
15 membership agreement application, the applicant must attest to the
16 fact that the applicant is not currently, nor plans to be, enrolled in
17 Medicaid."

18 (b) All air ambulance membership agreement applications shall include the
19 following disclosures:

20 "The air ambulance membership agreement is a membership plan and is
21 not insurance coverage.

22 The Kentucky Medicaid program covers air ambulance transport services
23 and requires no out-of-pocket expense by the enrollee for air
24 ambulance transport services.

25 Some state laws prohibit Medicaid beneficiaries from being offered air
26 ambulance memberships or being accepted into air ambulance
27 membership programs. If an individual submits an air ambulance

1 membership agreement application, the applicant must attest to the
2 fact that the applicant is not currently, nor plans to be, enrolled in
3 Medicaid. If the applicant is not currently enrolled in Medicaid, but
4 becomes enrolled at any time during the duration of the membership
5 agreement, then the applicant must notify the air ambulance
6 membership organization within thirty (30) days of enrollment. If the
7 applicant timely notifies the air ambulance membership organization
8 of such enrollment, then the air ambulance membership organization
9 must provide the applicant a prorated refund of any consideration
10 paid for the air ambulance membership agreement.'

11 (c) The disclosures required under paragraphs (a) and (b) of this subsection
12 shall be displayed in at least twelve (12) point Times New Roman font.

13 (5) (a) If a Medicaid enrollee under KRS Chapter 205 believes that an individual
14 or entity has violated this section, the enrollee may submit a complaint with
15 any and all information pertinent to the allegation to the Attorney General.

16 (b) If, upon receipt of the complaint, the Attorney General finds that a violation
17 of this section occurred, the Attorney General may seek any remedies that
18 are available under this chapter for acts declared unlawful by KRS 367.170.

19 (c) All of the investigative and enforcement powers provided to the Attorney
20 General under KRS 367.110 to 367.300 and 367.990, pertaining to acts
21 declared unlawful by KRS 367.170, shall apply with equal force and effect
22 to a violation of this section.