

October 15, 2018

The Honorable Elaine Chao  
Secretary of Transportation  
1200 New Jersey Avenue, Southeast  
Washington, DC 20590

The Honorable Alex Azar  
Secretary of Health and Human Services  
200 Independence Avenue, Southwest  
Washington, DC 20201

Dear Secretary Chao and Secretary Azar:

On behalf of the membership of the National Association of Insurance Commissioners<sup>1</sup>, we write today to offer assistance in fulfilling your responsibility under the FAA Reauthorization Act of 2018 to appoint an advisory committee on air ambulances. State insurance regulators have extensive experience in balancing the needs of consumers and providers and keen interest in air ambulances. The NAIC offers its expertise to you as you establish an effective advisory committee.


President Trump signed the FAA Reauthorization Act of 2018 (H.R. 302), on October 5, 2018. The law provides that within 60 days the Secretary of Transportation, in consultation with the Secretary of Health and Human Services, shall establish an advisory committee focused on the disclosure of air ambulance charges and protecting consumers from balance billing.

State insurance regulators across the country have experienced a high volume of complaints from consumers in their states who received air ambulance flights and were then saddled with a surprise bill for tens of thousands of dollars. State regulators also understand the challenge of balancing consumer protections with the cost of having air ambulance services available when needed. Unfortunately, Federal law prohibits state insurance regulators from addressing this important challenge as they do with other health care providers. We believe the advisory committee is an important first step in establishing more effective and reasonable protections for consumers.

H.R. 302 requires that the advisory committee include, among others, representatives of state insurance regulators, health insurance providers, patient advocacy groups, various air ambulance sectors, and consumer advocacy groups. NAIC has strong connections with all these stakeholders through an ongoing coalition and can recommend potential committee members in these categories. The law further requires the committee to include three members who do not represent a named stakeholder group. The NAIC has worked closely with state legislators, industry analysts, large employers, and worker's compensation programs that would add greatly to the committee's discussions.

We appreciate your effort to meet the law's short timeframe for establishing the committee. Please do not hesitate to reach out to Brian Webb ([bwebb@naic.org](mailto:bwebb@naic.org)) of the NAIC staff if we can provide any help in evaluating committee members or with any other questions on air ambulance regulation. Thank you for your consideration in this important matter.

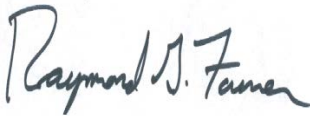
Sincerely,



Julie Mix McPeak  
NAIC President  
Commissioner  
Tennessee Department of  
Commerce & Insurance



Eric A. Cioppa  
NAIC President-Elect  
Superintendent  
Maine Bureau of Insurance



Raymond G. Farmer  
NAIC Vice President  
Director  
South Carolina Department of Insurance



Gordon I. Ito  
NAIC Secretary-Treasurer  
Commissioner  
Insurance Division  
Hawaii Department of Commerce  
and Consumer Affairs



Michael F. Consedine  
Chief Executive Officer  
National Association of Insurance  
Commissioners

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<sup>1</sup> Founded in 1871, the NAIC is the U.S. standard-setting and regulatory support organization created and governed by the chief insurance regulators from the 50 states, the District of Columbia and the five U.S. territories. Through the NAIC, state insurance regulators establish standards and best practices, conduct peer review, and coordinate their regulatory oversight. NAIC members, together with the central resources of the NAIC, form the national system of state-based insurance regulation in the U.S.