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## Air Ambulance Billing

- *Consumers in just about every state have received critical, life-saving air transport to an emergency room or trauma center and then found out that the air ambulance provider—who they did not choose—is not in their insurance network. In many cases, the air ambulance provider takes a payment from the insurer and also “balance bills” the consumer for what could be tens-of-thousands of dollars.*
- *States have adopted laws to protect consumers in such cases, but courts have ruled such laws are preempted by the Airline Deregulation Act.*
- *As Congress considers legislation to address surprise medical bills in situations when consumers cannot reasonably choose their provider, it must include protections against surprise bills from air ambulance providers.*
- *The FAA Reauthorization Act of 2018 established an advisory committee to recommend federal rulemaking on air ambulances. While this committee will provide valuable information, it can’t protect consumers from surprise bills on its own. Further legislation is needed.*

### Background

Over the past decade, air ambulance providers unaffiliated with a hospital have failed to contract with insurance carriers. When they lack such contracts, air ambulance providers are not limited in the bills they can assess to consumers. As a result, air ambulances are being called to airlift individuals in both emergency and non-emergency situations and billing them for out-of-network charges to the tune of tens of thousands of dollars.

Companies that provide air ambulance services are considered air carriers under the Airline Deregulation Act of 1978 (ADA). The ADA was intended to keep national commercial air travel competitive, so it prohibits states from regulating the price, route, or service of an air carrier. Courts have found that this prohibition applies to consumer protections states have adopted to address air ambulance balance billing.

Federal legislative action is necessary to address this issue. Federal law changes could either protect consumers directly or empower states to do so by altering the ADA. Since Congress is working on surprise bills more generally, it has an opportunity to establish a federal limitation on balance bills from air ambulance providers. The legislation would apply the same principle to air medical transport as it does to other services: when consumers cannot choose their provider, they are not responsible for bills beyond what they would owe to an in-network provider. Leaving air ambulances out of the legislation would create a loophole and leave consumers vulnerable to bankrupting bills.

### Key Points

- ✓ State insurance regulators support legislation that would protect consumers from excessive out-of-network charges in all situations when they cannot reasonably choose a provider, including air ambulance transport.
- ✓ Because the ADA is interpreted to preempt state regulation of air ambulance providers, state insurance regulators agree that federal legislation is necessary to stop such surprise bills.