

HOUSE BILL NO. HB0007

Air ambulance membership organizations-regulation.

Sponsored by: Joint Minerals, Business & Economic
Development Interim Committee

A BILL

for

1 AN ACT relating to insurance; amending the definition of
2 disability insurance; specifying that the regulation of air
3 ambulance membership organizations and their memberships
4 and plans is not insurance; establishing registration
5 requirements and regulatory standards for air ambulance
6 membership organizations; making conforming amendments;
7 requiring rulemaking; and providing for effective dates.

8

9 *Be It Enacted by the Legislature of the State of Wyoming:*

10

11 **Section 1.** W.S. 26-43-301 through 26-43-308 are
12 created to read:

13

14

ARTICLE 3

15

AIR AMBULANCE MEMBERSHIP ORGANIZATIONS

1

2 **26-43-301. Definitions; applicability.**

3

4 (a) As used in this article, "air ambulance
5 membership organization" means an entity that, in exchange
6 for fees, dues, charges or other consideration, provides:

7

8 (i) Discounts to members for the cost of
9 services the organization provides as an air ambulance
10 service company; or

11

12 (ii) Access for members to providers of air
13 ambulance services and the right to receive air ambulance
14 services from those providers. For purposes of this
15 paragraph, "air ambulance membership organization" means
16 the entity that contracts with health care providers,
17 individuals, employees, groups, provider networks or other
18 air ambulance membership organizations to offer access to
19 air ambulance services and that determines the fees, dues,
20 or charges to air ambulance membership organization
21 members.

22

1 (b) The registration requirements of this article
2 shall not apply to:

3

4 (i) An air ambulance membership organization
5 that is otherwise subject to the provisions of this title
6 and is required to be licensed under this title;

7

8 (ii) A health care provider who provides
9 discounts to patients without any cost or fee of any kind
10 to the patient.

11

12 **26-43-302. Air ambulance membership organizations;**
13 **certificate of registration; application.**

14

15 (a) An air ambulance membership organization shall
16 obtain a certificate of registration from the commissioner
17 before operating as an air ambulance membership
18 organization in Wyoming.

19

20 (b) An air ambulance membership organization seeking
21 a certificate of registration from the commissioner shall
22 apply on a form created and prescribed by the commissioner.
23 The application shall include:

1

2 (i) An application fee not to exceed five
3 hundred dollars (\$500.00);

4

5 (ii) Information regarding whether a previous
6 application for a certificate of registration under this
7 article or for a substantially similar certificate under
8 the laws of another state has been denied, revoked,
9 suspended or terminated;

10

11 (iii) Information regarding whether the
12 applicant is currently under investigation or the subject
13 of any pending action and whether the applicant has been
14 found in violation of any statute or regulation in any
15 jurisdiction in the last five (5) years;

16

17 (iv) Information sufficient for the commissioner
18 to determine whether the applicant has adequate expertise
19 and experience to operate an air ambulance membership
20 organization and is of good character;

21

22 (v) Certification that the applicant has
23 established a dedicated toll-free telephone number for its

1 customers and an internet website that makes available the
2 names and addresses of all current air ambulance providers
3 with which the applicant has contracted directly or through
4 a provider network;

5

6 (vi) Proof that the applicant has posted a
7 surety bond and has established a reserve fund as required
8 by W.S. 26-43-305(f).

9

10 (c) Upon receipt of an application, the commissioner
11 shall review the application and shall notify the applicant
12 of any deficiencies in the application not later than
13 twenty-one (21) days after receiving the application. Not
14 more than ninety (90) days after receipt of an application
15 containing all required information, the commissioner shall
16 issue a certificate of registration to an applicant that
17 has satisfied all requirements imposed by this article.

18

19 (d) A certificate of registration issued under this
20 section shall be effective for one (1) year after the date
21 of issuance unless renewed as provided by W.S.
22 26-43-303(a).

23

1 **26-43-303. Certificate of registration; renewal;**
2 **suspension; revocation.**

3
4 (a) Not less than ninety (90) days before a
5 certificate of registration expires, an air ambulance
6 membership organization seeking to maintain its
7 registration shall submit a renewal application on a form
8 prescribed by the commissioner, the annual report required
9 under W.S. 26-43-307(a) and a renewal fee not to exceed
10 three hundred dollars (\$300.00). The commissioner shall
11 renew the certificate of registration for any air ambulance
12 membership organization that is in compliance with the
13 provisions of this article and any rules promulgated
14 pursuant to this article. An air ambulance membership
15 organization may renew its registration for up to one (1)
16 year after expiration of its certificate of registration by
17 paying the renewal fee and a late fee equal to the renewal
18 fee. An air ambulance membership organization shall not
19 enroll new members until their registration is renewed in
20 accordance with this section or a new certificate of
21 registration is approved.

22

1 (b) The commissioner may suspend or revoke a
2 certificate of registration after notice and an opportunity
3 for a hearing held in accordance with this article and the
4 Wyoming Administrative Procedure Act if the commissioner
5 has reasonable cause to believe that the air ambulance
6 membership organization:

7

8 (i) Is not operating in compliance with the
9 provisions of this article;

10

11 (ii) Has advertised, merchandized or attempted
12 to merchandise its services in such a manner as to
13 misrepresent its services or capacity for service;

14

15 (iii) Has engaged in deceptive, misleading or
16 unfair practices;

17

18 (iv) Is not fulfilling its obligations as an air
19 ambulance membership organization; or

20

21 (v) Would be hazardous to the members of the air
22 ambulance membership organization if continued operation
23 were permitted.

1

2 (c) If the commissioner has reasonable cause under
3 subsection (b) of this section, the commissioner shall
4 notify the air ambulance membership organization in writing
5 specifically stating the grounds for suspending or revoking
6 a certificate of registration. The certificate holder may
7 demand a hearing not later than thirty (30) days after
8 receipt of the notice. Any hearing held under this
9 subsection shall be conducted pursuant to the Wyoming
10 Administrative Procedure Act.

11

12 (d) Upon reasonable cause shown, the commissioner may
13 suspend the authority of the air ambulance membership
14 organization to enroll new members for a specified period
15 of time not to exceed ninety (90) days. Any suspension
16 under this subsection shall specify in writing any
17 conditions the air ambulance membership organization shall
18 meet before reinstatement of its authority to enroll new
19 members.

20

21 (e) The commissioner may rescind or modify any
22 suspension ordered under this section. Any modification
23 that results in a suspension being extended or additional

1 conditions imposed on an air ambulance membership
2 organization shall not take effect until after notice is
3 given to the air ambulance membership organization with an
4 opportunity for a hearing held in accordance with this
5 article and the Wyoming Administrative Procedure Act.

6

7 (f) No certificate of registration of an air
8 ambulance membership organization that has been suspended
9 or revoked shall be reinstated unless requested by the air
10 ambulance membership organization. The commissioner shall
11 not grant the request for reinstatement if the commissioner
12 finds by a preponderance of the evidence that the
13 circumstances for which the suspension or revocation
14 occurred still exist or are likely to recur.

15

16 (g) In lieu of a suspension or revocation of a
17 certificate of registration, the commissioner may:

18

19 (i) Issue and serve upon an air ambulance
20 membership organization a violation notice that includes
21 the basis for the violation and an order requiring the air
22 ambulance membership organization to cease and desist from

1 engaging in the acts or practices that caused the issuance
2 of the violation notice;

3

4 (ii) Impose a civil penalty of not more than one
5 thousand dollars (\$1,000.00) for each violation.

6

7 (h) An air ambulance membership organization shall
8 immediately notify the commissioner if a certificate of
9 registration or other substantially similar authorization
10 issued in another jurisdiction has been suspended, revoked
11 or not renewed.

12

13 **26-43-304. Air ambulance membership organizations;**
14 **powers and duties of the commissioner; rulemaking; costs.**

15

16 (a) The commissioner is authorized to:

17

18 (i) Examine or investigate the affairs of an air
19 ambulance membership organization to ensure compliance with
20 the provisions of this article;

21

22 (ii) Order any air ambulance membership
23 organization or applicant to produce materials pertaining

1 to air ambulance membership affairs, including any records,
2 books, files, advertising and solicitation materials and
3 any other information necessary to ensure compliance with
4 this article;

5

6 (iii) Take statements under oath to determine
7 whether the air ambulance membership organization or an
8 applicant is in violation of the provisions of this
9 article.

10

11 (b) An air ambulance membership organization found to
12 have violated any provision of this article after an
13 examination or investigation under this section shall pay
14 all costs and fees associated with the examination or
15 investigation.

16

17 (c) The commissioner shall promulgate any rules
18 necessary to carry out the provisions of this article.

19

20 **26-43-305. Charges authorized; written agreements**
21 **required; cancellation of memberships; duties.**

22

1 (a) An air ambulance membership organization may
2 assess a periodic charge and a reasonable one-time
3 application processing fee to its members.

4

5 (b) All terms and conditions for memberships of an
6 air ambulance membership organization shall be provided in
7 writing to each member. An air ambulance membership
8 organization meeting the definition specified in W.S.
9 26-43-301(a)(ii) shall have an agreement in writing with
10 each air ambulance provider offering air ambulance services
11 to its members. The written provider agreement may be
12 entered into directly with the provider or with an entity
13 that hires or represents the provider.

14

15 (c) A member of an air ambulance membership
16 organization's plan shall have the right to cancel his
17 membership in the plan at any time. If the member cancels
18 his membership not later than thirty (30) days after
19 purchasing a plan, the air ambulance membership
20 organization shall refund to the member any one-time
21 charges that exceed thirty dollars (\$30.00) and all
22 periodic charges. For purposes of this subsection,
23 cancellation occurs when notice of cancellation is mailed

1 or otherwise delivered to the air ambulance membership
2 organization.

3

4 (d) If an air ambulance membership organization
5 cancels a membership for any reason other than nonpayment
6 of charges by a member, the air ambulance membership
7 organization shall issue a pro rata refund of all periodic
8 charges to the member.

9

10 (e) An air ambulance membership organization or an
11 agent, broker or marketer who sells memberships for an air
12 ambulance membership organization shall disclose all
13 charges for each air ambulance membership organization
14 membership to all prospective members.

15

16 (f) An air ambulance membership organization shall:

17

18 (i) Post a surety bond with one (1) or more
19 surety companies approved by the commissioner in the amount
20 of five thousand dollars (\$5,000.00) for every one thousand
21 (1,000) members of the organization who are residents of
22 the state of Wyoming or portion thereof;

23

1 (ii) Establish a reserve fund at any financial
2 institution approved by the commissioner in the amount of
3 three dollars (\$3.00) for each member currently part of a
4 plan that the air ambulance membership organization offers.
5 The reserve fund shall be for the benefit of the members
6 and to guarantee that any plan the air ambulance membership
7 organization offers continues until all memberships or
8 plans are terminated. No amount shall be required to be
9 deposited for any family members of the plan member's
10 household unless the family members are separately
11 participating or subscribed to the organization's plan. No
12 further deposits shall be required under this paragraph
13 after the total amount of the reserve fund and surety bond
14 required under paragraph (i) of this subsection exceeds two
15 hundred thousand dollars (\$200,000.00).

16

17 (g) An air ambulance membership organization shall
18 pay any costs of collection upon a judgment in favor of a
19 plan member and attorney fees in any successful action
20 brought by a plan member.

21

22 **26-43-306. Violations; unfair trade practices;**
23 **penalties.**

1 In addition to any penalties and other enforcement of this
2 article, any person who willfully violates any provision of
3 this act may be subject to a civil penalty not to exceed
4 one thousand dollars (\$1,000.00) for each willful
5 violation.

6

7 **26-43-307. Reporting requirements; notice to**
8 **commissioner; penalties.**

9

10 (a) Not less than ninety (90) days before expiration
11 of a certificate of registration, an air ambulance
12 membership organization seeking renewal of its certificate
13 of registration shall submit an annual report to the
14 commissioner in a form prescribed by the commissioner. The
15 report shall include:

16

17 (i) An updated list of the names and addresses
18 of all air ambulance providers or air ambulance service
19 providers responsible for the conduct of the air ambulance
20 membership organization's affairs along with disclosure of
21 the extent and nature of any contracts or arrangements with
22 those persons, including any possible conflicts of
23 interest;

1

2 (ii) The number of members in Wyoming who are
3 enrolled in any membership offered by the air ambulance
4 membership organization;

5

6 (iii) A list of any membership agreements
7 currently active or entered into with a governmental entity
8 in Wyoming that provides membership of the air ambulance
9 membership organization to all residents of that
10 governmental entity. As used in this paragraph,
11 "governmental entity" means the governing body of a county
12 or municipality in Wyoming;

13

14 (iv) Any other information related to the air
15 ambulance membership organization as required by the
16 commissioner to ensure compliance with the provisions of
17 this article.

18

19 (b) An air ambulance membership organization seeking
20 renewal that fails to file an annual report in the form or
21 before the deadline specified in subsection (a) of this
22 section shall be ineligible for renewal until any
23 deficiency is remedied.

1

2 (c) Upon notice by the commissioner, an air ambulance
3 membership organization failing to comply with subsection
4 (a) of this section shall lose its authority to enroll new
5 members or to do business in Wyoming if the violation
6 continues beyond a time specified by the commissioner.

7

8 (d) An air ambulance membership organization shall
9 provide the commissioner notice of any change in the
10 organization's name, address, telephone number, address for
11 the principal place of business, mailing address or
12 internet website address not less than thirty (30) days
13 before making the change.

14

15 **26-43-308. Advertisements; marketing; required**
16 **disclosures.**

17

18 (a) All advertisements, marketing materials,
19 brochures, air ambulance membership cards, presentations
20 and any other communications of an air ambulance membership
21 organization shall be truthful and not misleading in fact
22 or in implication.

23

1 (b) An air ambulance membership organization
2 advertising or marketing its memberships to Wyoming
3 residents shall:

4

5 (i) Submit all written advertisements and
6 marketing materials to the commissioner for review for
7 compliance with this article;

8

9 (ii) Not use language in its advertisements or
10 marketing that could reasonably mislead a person into
11 believing that the air ambulance membership plan is
12 insurance;

13

14 (iii) Not use language in its advertisements,
15 marketing materials, brochures or presentations with
16 respect to being licensed or registered by a state
17 insurance department or with respect to being provided by a
18 governmental entity in a manner that could reasonably
19 mislead an individual into believing that the air ambulance
20 membership plan is insurance or has been endorsed by the
21 state or any Wyoming governmental entity;

22

1 (iv) Not have restrictions on access to air
2 ambulance membership organizations, including waiting
3 periods and notification periods.

4

5 (c) An air ambulance membership organization shall
6 make the following general disclosures in writing in bold
7 and not less than twelve (12) point font on the first
8 content page of any advertisement, marketing material or
9 brochure made available to prospective members or the
10 public:

11

12 (i) The plan is a membership plan and is not
13 insurance coverage;

14

15 (ii) For air ambulance membership organizations
16 as defined by W.S. 26-43-301(a)(ii), that the range of
17 discounts for air ambulance services provided under the
18 membership will vary depending on the provider and the
19 services offered;

20

21 (iii) The toll-free number and internet website
22 address for the air ambulance membership organization where
23 prospective members can obtain additional information about

1 the services offered by the air ambulance membership
2 organization.

3

4 (d) An air ambulance membership organization shall
5 provide the disclosures required by subsection (c) of this
6 section orally to any person who makes initial contact with
7 an air ambulance membership organization by telephone.

8

9 (e) When a person purchases a membership from an air
10 ambulance membership organization, the air ambulance
11 membership organization shall mail to the member, within
12 five (5) business days of the purchase, a separate document
13 printed in bold and not less than twelve (12) point font
14 that contains the following disclosures:

15

16 (i) That the air ambulance membership is not
17 insurance coverage;

18

19 (ii) That, if eligible and covered under
20 Medicare, the prospective member may consult with a
21 representative of the Medicare program to determine the
22 extent of applicable Medicare coverage and what the

1 member's payment obligations will be if transported by air
2 ambulance;

3

4 (iii) That the prospective member may be covered
5 by an air ambulance membership organization under a
6 membership provided by a governmental entity;

7

8 (iv) A detailed list of all one-time and
9 periodic fees that are and will be charged to the
10 prospective member to join the air ambulance membership
11 organization;

12

13 (v) The Wyoming counties served by the air
14 ambulance membership organization;

15

16 (vi) That, in an emergency and if the
17 prospective member is outside of the air ambulance
18 membership organization's service area, air ambulance
19 services may be provided by another air ambulance provider
20 or air ambulance membership organization, and the benefits
21 of the air ambulance membership organization that the
22 prospective member is joining may not apply to the services
23 provided by another air ambulance provider, and in such

1 case the prospective member may be responsible for the
2 entire bill;

3

4 (vii) That if the member cancels the membership
5 not later than thirty (30) days after purchasing a plan,
6 the air ambulance membership organization will refund to
7 the member any one-time charges paid by the member that
8 exceed thirty dollars (\$30.00) and all periodic charges
9 paid by the member;

10

11 (viii) That the air ambulance membership
12 organization may not be the company called in the event of
13 an emergency and that the member may be responsible for the
14 entire bill if a different air ambulance service company
15 provides the service.

16

17 **Section 2.** W.S. 26-1-104(a) by creating a new
18 paragraph (vii) and 26-5-103(a)(ii) are amended to read:

19

20 **26-1-104. Applicability of provisions.**

21

22 (a) This code does not apply to:

23

1 (vii) Air ambulance membership organizations as
2 identified in chapter 43, article 3 of this code, except as
3 otherwise specifically provided in this title.

4
5 **26-5-103. "Disability insurance" defined.**

6
7 (a) Disability insurance is insurance of any kind on
8 human beings against:

9
10 (ii) Disablement or expense resulting from
11 sickness, ~~including subscription or membership plans~~
12 ~~relating to air ambulance transport services.~~

13
14 **Section 3.** The department of insurance shall
15 promulgate all rules necessary to implement the provisions
16 of this act.

17

1 **Section 4.**

2

3 (a) Except as provided in subsection (b) of this
4 section, this act is effective July 1, 2021.

5

6 (b) Sections 3 and 4 of this act are effective
7 immediately upon completion of all acts necessary for a
8 bill to become law as provided by Article 4, Section 8 of
9 the Wyoming Constitution.

10

11

(END)