

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 discounts for its cost of services or discounts for the
8 cost of services provided by another air ambulance service
9 company.

10

11 (b) For purposes of this article, an air ambulance
12 membership organization shall be the entity that contracts
13 with health care providers, individuals, employees, groups,
14 provider networks or other air ambulance membership
15 organizations to offer access to air ambulance services and
16 that determines the charge to air ambulance membership
17 organization members.

18

19 (c) The registration requirements of this article
20 shall not apply to:

21

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

4

5 (ii) A health care provider who provides
6 discounts to patients without any cost or fee of any kind
7 to the patient.

8

9 **26-43-302. Air ambulance membership organizations;**
10 **certificate of registration; application.**

11

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

16

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

21

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

1

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

7

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

13

14 (iv) Information sufficient for the commissioner
15 to determine whether the applicant is financially
16 responsible, has adequate expertise and experience to
17 operate an air ambulance membership organization and is of
18 good character;

19

20 (v) Certification that the applicant has
21 established a dedicated toll-free telephone number for its
22 customers and an internet website that makes available the
23 names and addresses of all current air ambulance providers

1 with which the applicant has contracted directly or through
2 a provider network.

3

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

12

13 (d) A certificate of registration issued under this
14 section shall be effective for one (1) year after the date
15 of issuance unless renewed as provided by W.S.
16 26-43-303(a).

17

18 **26-43-303. Certificate of registration; renewal;**
19 **suspension; revocation.**

20

21 (a) Not less than ninety (90) days before a
22 certificate of registration expires, an air ambulance
23 membership organization seeking to maintain its

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

16

17 (b) The commissioner may suspend or revoke a
18 certificate of registration after notice and an opportunity
19 for a hearing held in accordance with this article and the
20 Wyoming Administrative Procedure Act if the commissioner
21 has reasonable cause to believe that the air ambulance
22 membership organization:

23

1 (i) Is not operating in compliance with the
2 provisions of this article;

3

4 (ii) Has advertised, merchandized or attempted
5 to merchandise its services in such a manner as to
6 misrepresent its services or capacity for service;

7

8 (iii) Has engaged in deceptive, misleading or
9 unfair practices;

10

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

13

14 (v) Would be hazardous to the members of the air
15 ambulance membership organization if continued operation
16 were permitted.

17

18 (c) If the commissioner has reasonable cause under
19 subsection (b) of this section, the commissioner shall
20 notify the air ambulance membership organization in writing
21 specifically stating the grounds for suspending or revoking
22 a certificate of registration. The certificate holder may
23 demand a hearing not later than thirty (30) days after

1 receipt of the notice. Any hearing held under this
2 subsection shall be conducted pursuant to the Wyoming
3 Administrative Procedure Act.

4

5 (d) Upon reasonable cause shown, the commissioner may
6 suspend the authority of the air ambulance membership
7 organization to enroll new members for a specified period
8 of time not to exceed ninety (90) days. Any suspension
9 under this subsection shall specify in writing any
10 conditions the air ambulance membership organization shall
11 meet before reinstatement of its authority to enroll new
12 members.

13

14 (e) The commissioner may rescind or modify any
15 suspension ordered under this section. Any modification
16 that results in a suspension being extended or additional
17 conditions imposed on an air ambulance membership
18 organization shall not take effect until after notice is
19 given to the air ambulance membership organization with an
20 opportunity for a hearing held in accordance with this
21 article and the Wyoming Administrative Procedure Act.

22

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

9

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

12

13 (i) Issue and serve upon an air ambulance
14 membership organization a violation notice that includes
15 the basis for the violation, and an order requiring the air
16 ambulance membership organization to cease and desist from
17 engaging in the acts or practices that caused the issuance
18 of the violation notice;

19

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

22

1 (h) An air ambulance membership organization shall
2 immediately notify the commissioner if a certificate of
3 registration or other substantially similar authorization
4 issued in another jurisdiction has been suspended, revoked
5 or not renewed.

6

7 **26-43-304. Air ambulance membership organizations;**
8 **powers and duties of the commissioner; rulemaking; costs.**

9

10 (a) The commissioner is authorized to:

11

12 (i) Examine or investigate the business and
13 affairs of an air ambulance membership organization to
14 protect the interests of Wyoming residents;

15

16 (ii) Order any air ambulance membership
17 organization or applicant to produce any records, books,
18 files, advertising and solicitation materials and any other
19 information the commissioner deems necessary to ensure
20 compliance with this article;

21

22 (iii) Take statements under oath to determine
23 whether the air ambulance membership organization or an

1 applicant is in violation of the provisions of this article
2 or is acting contrary to the public interest.

3

4 (b) The air ambulance membership organization or
5 applicant subject to any examination or investigation under
6 this section shall be responsible for all costs of the
7 examination or investigation.

8

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

11

12 **26-43-305. Charges authorized; written agreements**
13 **required; cancellation of memberships; duties.**

14

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

18

19 (b) All agreements for memberships of an air
20 ambulance membership organization shall be provided in
21 writing to each member. An air ambulance membership
22 organization shall have an agreement in writing with each
23 air ambulance provider offering air ambulance services to

1 its members. The written provider agreement may be entered
2 into directly with the provider or with an entity that
3 hires or represents the provider.

4

5 (c) A member of an air ambulance membership
6 organization's plan shall have the right to cancel his
7 membership in the plan at any time. If the member cancels
8 his membership not later than thirty (30) days after
9 signing an agreement to join a plan, the air ambulance
10 membership organization shall refund to the member any
11 one-time charges that exceed thirty dollars (\$30.00) and
12 all periodic charges. For purposes of this subsection,
13 cancellation occurs when notice of cancellation is mailed
14 or otherwise delivered to the air ambulance membership
15 organization.

16

17 (d) If an air ambulance membership organization
18 cancels a membership for any reason other than nonpayment
19 of charges by a member, the air ambulance membership
20 organization shall issue a pro rata refund of all periodic
21 charges to the member.

22

1 (e) An air ambulance membership organization or an
2 agent, broker or marketer who sells memberships for an air
3 ambulance membership organization shall disclose all
4 charges for each air ambulance membership organization
5 membership in writing to all prospective members.

6

7 **26-43-306. Violations; unfair trade practices;**
8 **penalties.**

9

10 (a) A violation of this article shall be an unfair
11 trade practice under the Unfair Trade Practices Act.

12

13 (b) In addition to any penalties and other
14 enforcement of this article, any person who willfully
15 violates any provision of this act may be subject to a
16 civil penalty not to exceed one thousand dollars
17 (\$1,000.00) for each willful violation.

18

19 **26-43-307. Reporting requirements; notice to**
20 **commissioner; penalties.**

21

22 (a) Not less than ninety (90) days before expiration
23 of a certificate of registration, an air ambulance

1 membership organization seeking renewal of its certificate
2 of registration shall submit an annual report to the
3 commissioner in a form prescribed by the commissioner. The
4 report shall include:

5

6 (i) An updated list of the names and addresses
7 of all air ambulance providers or air ambulance service
8 providers responsible for the conduct of the air ambulance
9 membership organization's affairs along with disclosure of
10 the extent and nature of any contracts or arrangements with
11 those persons, including any possible conflicts of
12 interest;

13

14 (ii) The number of members in Wyoming who are
15 enrolled in any membership offered by the air ambulance
16 membership organization;

17

18 (iii) A list of any membership agreements
19 currently active or entered into with a governmental entity
20 in Wyoming that provides membership of the air ambulance
21 membership organization to all residents of that
22 governmental entity. As used in this paragraph,

1 "governmental entity" means the governing body of a county
2 or municipality in Wyoming;

3

4 (iv) Any other information related to the
5 performance of the air ambulance membership organization as
6 required by the commissioner.

7

8 (b) An air ambulance membership organization seeking
9 renewal that fails to file an annual report in the form or
10 before the deadline specified in subsection (a) of this
11 section shall be ineligible for renewal until any
12 deficiency is remedied.

13

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

19

20 (d) An air ambulance membership organization shall
21 provide the commissioner notice of any change in the
22 organization's name, address, telephone number, address for
23 the principal place of business, mailing address or

1 internet website address not less than thirty (30) days
2 before making the change.

3

4 **26-43-308. Advertisements; marketing; required**
5 **disclosures.**

6

7 (a) All advertisements, marketing materials,
8 brochures, air ambulance membership cards, presentations
9 and any other communications of an air ambulance membership
10 organization shall be truthful and not misleading in fact
11 or in implication.

12

13 (b) An air ambulance membership organization
14 advertising or marketing its memberships to Wyoming
15 residents shall:

16

17 (i) Submit all written advertisements and
18 marketing materials to the commissioner for review for
19 compliance with this article;

20

21 (ii) Not use the following terms in its
22 advertisements or marketing: insurance, health plan, copay,
23 copayment, deductible, premium, preferred provider

1 organization or any other term that the commissioner
2 designates by rule that could reasonably mislead a person
3 into believing that the air ambulance membership plan is
4 insurance;

5

6 (iii) Not use language in its advertisements,
7 marketing materials, brochures or presentations with
8 respect to being licensed or registered by a state
9 insurance department or with respect to being provided by a
10 governmental entity in a manner that could reasonably
11 mislead an individual into believing that the air ambulance
12 membership plan is insurance or has been endorsed by the
13 state or any Wyoming governmental entity;

14

15 (iv) Not have restrictions on access to air
16 ambulance membership organizations, including waiting
17 periods and notification periods.

18

19 (c) An air ambulance membership organization shall
20 make the following general disclosures in writing in bold
21 and not less than twelve (12) point font on the first
22 content page of any advertisement, marketing material or

1 brochure made available to prospective members or the
2 public:

3

4 (i) The plan is a membership plan and is not
5 insurance coverage;

6

7 (ii) The range of discounts for air ambulance
8 services provided under the membership will vary depending
9 on the provider and the services offered;

10

11 (iii) The toll-free number and internet website
12 address for the air ambulance membership organization where
13 prospective members can obtain additional information about
14 the services offered by the air ambulance membership
15 organization.

16

17 (d) An air ambulance membership organization shall
18 provide the disclosures required by subsection (c) of this
19 section orally to any person who makes initial contact with
20 an air ambulance membership organization by telephone.

21

22 (e) Before entering into an agreement with a
23 prospective member for the prospective member to join the

1 air ambulance membership organization, the air ambulance
2 membership organization shall provide a separate document
3 in bold and not less than fourteen (14) point font for the
4 prospective member to sign that contains the following
5 disclosures:

6

7 (i) That the air ambulance membership is not
8 insurance coverage;

9

10 (ii) That, if eligible and covered under
11 Medicare, the prospective member may already be covered for
12 air ambulance services and should consult with a
13 representative of the Medicare program to determine what
14 services may be available under Medicare;

15

16 (iii) That the prospective member may be covered
17 by an air ambulance membership organization under a
18 membership provided by a governmental entity. In making
19 this disclosure, the air ambulance membership organization
20 shall consult with the commissioner to determine whether
21 the person resides in a county or municipality that has
22 entered into an agreement with any air ambulance membership

1 organization registered in Wyoming and shall disclose that
2 fact in the disclosure if a prospective member is covered;

3

4 (iv) A detailed list of all one-time and
5 periodic fees that are and will be charged to the
6 prospective member to join the air ambulance membership
7 organization;

8

9 (v) The service area of the air ambulance
10 membership organization, including a list of all areas by
11 county and municipality where the air ambulance membership
12 organization would not provide service to its members;

13

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

22

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

3

4 **26-1-104. Applicability of provisions.**

5

6 (a) This code does not apply to:

7

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

11

12 **26-5-103. "Disability insurance" defined.**

13

14 (a) Disability insurance is insurance of any kind on
15 human beings against:

16

17 (ii) Disablement or expense resulting from
18 sickness ~~., including subscription or membership plans~~
19 ~~relating to air ambulance transport services.~~

20

21 **Section 3.** The department of insurance shall
22 promulgate all rules necessary to implement the provisions
23 of this act.

