

## 1 SENATE JOINT RESOLUTION NO. 13

2 INTRODUCED BY T. FACEY

3 BY REQUEST OF THE SENATE BUSINESS, LABOR, AND ECONOMIC AFFAIRS STANDING

4 COMMITTEE

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6 A JOINT RESOLUTION OF THE SENATE AND THE HOUSE OF REPRESENTATIVES OF THE STATE OF  
7 MONTANA REQUESTING THE FEDERAL GOVERNMENT AMEND THE AIRLINE DEREGULATION ACT TO  
8 EXEMPT AIR AMBULANCE SERVICE PROVIDERS.

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10 WHEREAS, Montana's Economic Affairs Interim Committee conducted an interim study of air ambulance  
11 providers operating in Montana after receiving information of Montana residents being forced into bankruptcy or  
12 otherwise financially crippled by bills levied by air ambulance services; and

13 WHEREAS, the committee found a playing field tilted most severely against a patient needing air  
14 ambulance services in Montana, including residents being balance billed for air ambulance services often in the  
15 tens of thousands of dollars in excess of insurance coverage; and

16 WHEREAS, the committee found that the Airline Deregulation Act of 1978, which broadly applies to  
17 worldwide commercial air carriers and emergency air ambulance service providers alike, contains an expansive  
18 and stifling preemption clause preventing any state from regulating the rates, routes, or services of air ambulance  
19 providers; and

20 WHEREAS, the committee found that although the Airline Deregulation Act is important, the competition  
21 expected under that act does not necessarily extend to air ambulances, particularly those serving rural areas like  
22 Montana; and

23 WHEREAS, the committee found that by giving air ambulances immunity from state pricing oversight,  
24 the Airline Deregulation Act leaves uninsured, sick customers at the mercy of often out-of-state corporations and  
25 furthermore found that even insured patients did not necessarily fare well economically if the air ambulance  
26 providing service is not in their network or a preferred provider; and

27 WHEREAS, the committee found that the shortfalls in the Airline Deregulation Act were further  
28 compounded because Medicare and Medicaid lag behind on appropriate reimbursements for air ambulance  
29 services; and

30 WHEREAS, the committee found that other state legislation aimed at protecting its citizens has been

1 invalidated by federal courts under the Airline Deregulation Act's expansive preemption clause; and

2 WHEREAS, the committee voted unanimously to adopt as two committee bills approaches to help  
3 consumers, including a bill to hold insured consumers harmless from balance bills and a bill to revise current  
4 Montana law that memberships offered by private air ambulances are an insurance product to be regulated by  
5 the state.

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7 NOW, THEREFORE, BE IT RESOLVED BY THE SENATE AND THE HOUSE OF REPRESENTATIVES OF THE  
8 STATE OF MONTANA:

9 That the 65th Legislature of the State of Montana urges the federal government to make changes to:

10 (1) revise the Airline Deregulation Act to allow rate-setting regulation by states through insurance laws  
11 for air ambulances either as part of insurance networks or through guidelines that establish reasonable and  
12 customary billing, fair-market billing, or billing based on a percentage of Medicare reimbursement rates;

13 (2) revise the Airline Deregulation Act to prevent balance billing on truly emergency transports;

14 (3) revise the Airline Deregulation Act to recognize that air ambulance providers that sell memberships  
15 may do so without preemption and may be regulated by the state, much as automobile clubs are now regulated;  
16 and

17 (4) require more timely changes to Medicare reimbursement rates for air ambulances to keep up with  
18 medical inflation so that air ambulances are not cost-shifting to non-Medicare patients the cost of patients covered  
19 by this government program.

20 BE IT FURTHER RESOLVED, THAT THE SECRETARY OF STATE BE DIRECTED TO SEND COPIES OF THIS  
21 RESOLUTION TO THE SPEAKER OF THE UNITED STATES HOUSE OF REPRESENTATIVES, THE MAJORITY LEADER OF THE  
22 UNITED STATES SENATE, THE MINORITY LEADER OF THE UNITED STATES SENATE, THE MINORITY LEADER OF THE UNITED  
23 STATES HOUSE OF REPRESENTATIVES, ALL THREE MEMBERS OF MONTANA'S CONGRESSIONAL DELEGATION, THE  
24 PRESIDING OFFICER OF THE SENATE HEALTH, EDUCATION, LABOR, AND PENSION COMMITTEE, THE PRESIDING OFFICER  
25 OF THE SENATE COMMERCE, SCIENCE, AND TRANSPORTATION COMMITTEE, THE PRESIDING OFFICER OF THE HOUSE  
26 WAYS AND MEANS COMMITTEE, THE PRESIDING OFFICER OF THE HOUSE TRANSPORTATION AND INFRASTRUCTURE  
27 COMMITTEE, THE UNITED STATES SECRETARY OF TRANSPORTATION, AND THE DIRECTOR OF THE FEDERAL AVIATION  
28 ADMINISTRATION.

29 - END -