

1 AN ACT relating to air ambulance memberships.

2 *Be it enacted by the General Assembly of the Commonwealth of Kentucky:*

3 ➔SECTION 1. A NEW SECTION OF KRS CHAPTER 367 IS CREATED TO  
4 READ AS FOLLOWS:

5 *(1) As used in this section, "air ambulance membership agreement":*

6 *(a) Means an agreement in exchange for consideration to pay for, indemnify,*  
7 *or provide an amount or benefit to a person for the cost of air ambulance*  
8 *services; and*

9 *(b) Does not include a health insurance plan or policy regulated under KRS*  
10 *Chapter 304.*

11 *(2) (a) It shall be unlawful for any individuals or entity to sell, offer for sale, or*  
12 *provide an air ambulance membership agreement to an individual who is*  
13 *enrolled in the state's medical assistance program established in KRS*  
14 *Chapter 205.*

15 *(b) If an individual who has purchased or who has otherwise been provided*  
16 *with an air ambulance membership agreement subsequently enrolls in the*  
17 *state's medical assistance program during the duration of the membership*  
18 *agreement, the individual shall be entitled to a pro-rated refund of any*  
19 *consideration paid.*

20 *(3) (a) All air ambulance membership agreement websites, brochures, and*  
21 *marketing material shall include the following disclosure in at least*  
22 *eighteen (18) point Times New Roman font:*

23 *"Kentucky Medicaid, the state's medical assistance program, covers air*  
24 *ambulance transport services and requires no out-of-pocket expense by the*  
25 *enrollee. Therefore, an enrollee in the state's medical assistance program*  
26 *does not need an air ambulance membership agreement. It is unlawful for*  
27 *[seller] to sell an air ambulance membership agreement to an enrollee in*

1 *the state's medical assistance program."*

2 *(b) All air ambulance membership agreement applications shall include the*  
3 *following disclosure in at least eighteen (18) point Times New Roman font:*  
4 *"Kentucky Medicaid, the state's medical assistance program, covers air*  
5 *ambulance transport services and requires no out-of-pocket expense by the*  
6 *enrollee. Therefore, an enrollee in the state's medical assistance program*  
7 *does not need an air ambulance membership agreement. It is unlawful for*  
8 *[seller] to sell an air ambulance membership agreement to an enrollee in*  
9 *the state's medical assistance program. By submitting this application, you*  
10 *attest to the fact that you are not currently, nor do you plan to be, enrolled*  
11 *in the state's medical assistance program.*

12 *If you are not currently enrolled in the state's medical assistance program*  
13 *but become enrolled at any time during the duration of the membership*  
14 *agreement, you are entitled to a pro-rated refund and may contact [seller] to*  
15 *obtain your refund."*

16 ➔SECTION 2. A NEW SECTION OF KRS CHAPTER 367 IS CREATED TO  
17 READ AS FOLLOWS:

18 *If an individual or entity fails to comply with the requirements of Section 1 of this Act*  
19 *and knowingly sells, offers for sale, or provides an air ambulance membership*  
20 *agreement, as defined in Section 1 of this Act, to an individual who is enrolled in the*  
21 *state's medical assistance program or fails to provide a refund as required by Section 1*  
22 *of this Act, the individual or entity shall be fined five thousand dollars (\$5,000) per*  
23 *occurrence. If an individual or entity is fined more than fifty thousand dollars*  
24 *(\$50,000) in any calendar year, the individual or entity shall be required to initiate and*  
25 *complete a corrective action plan, as approved by the Department of Law. If the*  
26 *department determines that an individual or entity does not complete a corrective*  
27 *action plan as required by this section, the individual or entity shall lose their right to*

- 1 *any state-funded reimbursement for air ambulance transport services.*