

SENATE BILL REPORT

ESSB 5736

As Passed Senate, March 14, 2005

Title: An act relating to the availability of subscription air ambulance services.

Brief Description: Conducting an evaluation of the feasibility of subscription air ambulance service.

Sponsors: Senate Committee on Financial Institutions, Housing & Consumer Protection (originally sponsored by Senator Spanel).

Brief History:

Committee Activity: Financial Institutions, Housing & Consumer Protection: 2/15/05, 3/1/05[DPS, w/oRec].

Passed Senate: 3/14/05, 48-0.

SENATE COMMITTEE ON FINANCIAL INSTITUTIONS, HOUSING & CONSUMER PROTECTION

Majority Report: That Substitute Senate Bill No. 5736 be substituted therefor, and the substitute bill do pass.

Signed by Senators Fairley, Chair; Berkey, Vice Chair; Benton, Ranking Minority Member; Brandland, Delvin, Franklin, Keiser, Prentice, Schmidt and Spanel.

Minority Report: That it be referred without recommendation.

Signed by Senator Benson.

Staff: Joyce Ahlering (360-786-7486)

Background: The insurance code protects consumers and ensures financial solvency by requiring insurers and service providers to register annually with the Office of the Insurance Commissioner (OIC). As part of this registration process, providers must inform the Insurance Commissioner of insurance rates and loss ratios. The code also requires providers to have reserves on hand from which claims can be paid.

In recent years, concerns have been raised that medical emergency airlift services have become unaffordable for the state's island citizens. It has been suggested that organizations may be more likely to offer subscription air ambulance services if they were not held to all of the guidelines of the insurance code.

Summary of Bill: The OIC is to fund and perform a feasibility evaluation on the availability of subscription air ambulance service. The evaluation is to be geared toward allowing a person or an entity to provide subscription air ambulance service. A report on the OIC's evaluation findings and recommendations is due to the Legislature by December 31, 2005.

Appropriation: None.

Fiscal Note: Not requested.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: A single ambulance airlift costs between 6,000 and 8,000 dollars, and many families cannot afford this expense. This is enabling legislation that will allow an entity to make air ambulance service affordable for individuals and families who live on islands and in remote places.

Other: Some air ambulance programs in the nation are not nationally accredited, which presents safety and consumer protection issues. Along with that, a previous program that offered subscription air ambulance service to islanders was not profitable. To achieve the goal of this legislation, a vendor must be willing to offer the subscription air ambulance service.

Testimony Against: None.

Who Testified: PRO: Senator Spanel, prime sponsor; John Evans, citizen; Joan Berkowitz, citizen; Garth Eimers, San Juan County Emergency Medical Service and Trauma Center. OTHER: Susie Tracy, Airlift Northwest.