

SENATE BILL REPORT

EHB 2755

As of February 27, 2020

Title: An act relating to transparency regarding the cost of air ambulance services.

Brief Description: Concerning transparency regarding the cost of air ambulance services.

Sponsors: Representatives Schmick, Caldier and Cody.

Brief History: Passed House: 2/17/20, 98-0.

Committee Activity: Health & Long Term Care: 2/26/20.

Brief Summary of Bill

- Requires the lead organization for the All-Payer Claims Database to publish air ambulance claims data.

SENATE COMMITTEE ON HEALTH & LONG TERM CARE

Staff: LeighBeth Merrick (786-7445)

Background: All-Payer Health Care Claims Database. In 2014, the Legislature established a statewide all-payer health care claims database (APCD). The goals of the database are to:

- improve transparency;
- assist patients, providers, and hospitals to make informed choices about care;
- enable providers, hospitals, and communities to benchmark their performance;
- enable purchasers to identify value, build expectations into their purchasing strategies, and reward improvements over time; and
- promote competition based on quality and cost.

Data from the APCD is available to consumers and other interested parties through Washington HealthCareCompare. The website allows searches to find doctor groups and hospitals, and to compare prices for common medical procedures and treatment at nearby hospitals, ambulatory surgery and other outpatient health centers. The Health Care Authority (HCA) oversees the database and is currently seeking a lead organization to manage the database.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Air Ambulance Regulation. The Department of Health (DOH) is responsible for licensing emergency medical services agencies and services, including air ambulance services. Currently, there are three licensed air ambulance services in Washington. Federal government air ambulance resources are exempt from state licensure. Federal services located in Washington may provide limited services outside of the provisions of declared emergencies. Federal law prohibits states from regulating the price, route, or service of an air carrier, including air carriers that provide air ambulance services. The Federal Aviation Administration Reauthorization Act of 2018 includes air ambulance operators to certain consumer protection laws, allows consumers to report alleged unfair and deceptive practices by air ambulances to the Department of Transportation, and establishes an advisory committee to recommend options for improving cost transparency for air ambulances.

Summary of Bill: The APCD's lead organization must make claims data about air ambulance service available on a publicly available website in a searchable format by geographic region, provider, and other relevant information.

Appropriation: None.

Fiscal Note: Available.

Creates Committee/Commission/Task Force that includes Legislative members: No.

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

Staff Summary of Public Testimony: PRO: More transparency around air ambulance charges is important. We hear often about the underpayment for Medicaid air ambulance charges so this bill will also help us understand that issue more.

OTHER: The APCD is intended for consumers to make decisions about where they receive their care based on costs. Consumers needing an air ambulance are not likely to be in position where they can choose which air ambulance to use. Air ambulances are expensive to operate and costs for uninsured or Medicaid are often recuperated through commercial payers.

Persons Testifying: PRO: Representative Joe Schmick, Prime Sponsor.

OTHER: Roman Daniels-Brown, Life Flight Network.

Persons Signed In To Testify But Not Testifying: No one.