ENGROSSED SUBSTITUTE SENATE BILL 5736

State of Washington 59th Legislature 2005 Regular Session

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

READ FIRST TIME 03/02/05.

1 AN ACT Relating to the availability of subscription air ambulance 2 services; and creating a new section.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

NEW SECTION. Sec. 1. (1) The legislature finds that there is a 4 5 need to assist island and rural citizens with the availability of affordable air ambulance service. The legislature further finds that 6 7 there is a need to evaluate the feasibility of subscription air ambulance service offered by a vendor that solicits membership 8 9 subscriptions, accepts membership applications, charges membership fees, and furnishes prepaid or discounted air ambulance service to 10 subscription members and designated members of their households. 11

12 (2) The office of the insurance commissioner must perform an 13 evaluation of the feasibility of subscription air ambulance service. 14 This evaluation shall be geared toward allowing a person, entity, 15 corporation, or nonprofit corporation to offer, sell, and provide 16 subscription air ambulance service. The evaluation shall:

17 (a) Include consultation with public and private entities and 18 individuals involved in offering, providing, and purchasing 19 subscription air ambulance service; 1 (b) Assess the needs and concerns of likely subscription air 2 ambulance vendors, including the costs of providing affordable air 3 ambulance service to rural and island residents, as well as the burdens 4 placed on vendors if held to the reporting and solvency requirements of 5 the insurance code;

6 (c) Determine the implications of subscription air ambulance 7 service on consumer protection issues; and

8 (d) Compare the state's need for affordable subscription air 9 ambulance service to other states that allow this service, including an 10 inquiry into the practices of out-of-state vendors who provide the 11 service, as well as the applicability or nonapplicability of other 12 states' insurance codes to the service.

(3) The office of the insurance commissioner must submit a report of its findings to the legislature by December 31, 2005, and the report must include recommendations based on the evaluation required under subsection (2) of this section.

17 (4) The subscription air ambulance service feasibility evaluation18 shall be funded by the office of the insurance commissioner.

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p. 2