

## **BILL ANALYSIS**

Senate Research Center  
87R2796 JG-D

S.B. 183  
By: Perry  
Health & Human Services  
4/23/2021  
As Filed

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

The Federal Airline Deregulation Act (1978) preemption provision states: "Except as provided by this subsection a State, political subdivision of a State... may not enact or enforce a law, regulation, or other provision having the force and effect of law related to a price, route, or service of an carrier that may provide air transportation."

Current Texas law allows emergency medical service providers to create and operate a subscription program to fund an emergency medical service for the purpose of providing emergency medical services.

Between 2010 and 2014 the median price for air ambulance services went from \$15,000 to \$30,000. People living in rural areas began purchasing memberships to ensure if they ever need these air services, they will be covered. Unfortunately, these memberships do not guarantee availability of service and in emergency situations, people cannot choose which service picks them up, leading to massive air transportation bills on top of an unused subscription.

S.B. 183 requires air ambulance companies to enter into reciprocity agreements with each other in their overlapping service areas, ensuring maximum geographic coverage for patients under the subscription service, and protects patients from buying a subscription service they are unable to use.

As proposed, S.B. 183 amends current law relating to emergency medical services subscription programs and reciprocity agreements between certain air ambulance companies operating a subscription program.

### **RULEMAKING AUTHORITY**

Rulemaking authority previously granted to the executive commissioner of the Health and Human Services is modified in SECTION 1 (Section 773.011, Health and Safety Code) of this bill.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 773.011, Health and Safety Code, by amending Subsections (b) and (e) and adding Subsection (d-1), as follows:

(b) Requires that the rules adopted by the executive commissioner of the Health and Human Services Commission (executive commissioner) establishing minimum standards for the creation and operation of an emergency medical services subscription program ensure the protection of public health and safety, and for an air ambulance subscription program, ensure compliance with federal laws and rules related to air ambulance subscription program services and establish minimum standards and objectives for the delivery of air ambulance emergency medical services provided in accordance with a reciprocity agreement entered into under Subsection (d-1).

(d-1) Requires an air ambulance company that operates a subscription program in a service delivery area, in accordance with executive commissioner rules, and to ensure maximum geographic coverage for patients covered under an air ambulance subscription

program, to enter into a reciprocity agreement with each other air ambulance company that operates a subscription program in that area.

(e) Provides that the Insurance Code does not apply to a subscription program established or a reciprocity agreement entered into under this section.

SECTION 2. Requires the executive commissioner, as soon as practicable after the effective date of this Act, to adopt rules necessary to implement Section 773.011, Health and Safety Code, as amended by this Act.

SECTION 3. Effective date: January 1, 2022.