



July 3, 2019

Assembly Member Tim Grayson
State Capitol
P.O. Box 942849
Sacramento, CA 94249-0014

RE: AB 651 (Grayson) Air ambulance services
AAP-Position: Support

Dear Assembly Member Grayson,

The American Academy of Pediatrics, California, representing over 5,000 board-certified pediatrician-members in the state, strongly supports your proposed legislation AB 651, which among its provisions would require a health care service plan (health plan) contract or a health insurance policy, to provide that if an enrollee, insured, or subscriber (individual) receives covered services from a non-contracting air ambulance provider, the individual would pay no more than the same cost sharing that the individual would pay for the same covered services received from a contracting air ambulance provider, as specified. AB 651 would also prevent reimbursement for emergency air ambulance services from falling precipitously at the end of 2019.

Air Ambulances save lives. In a state as large as California, there are inevitably children in need of emergency services that might be hours away from skilled trauma centers. In a time of crisis, very few people stop to check if this vital service is being provided by an in-network provider. If an air ambulance service is not part of a patient's insurance network, the operator can charge the patient for substantial amounts the insurance company won't cover or not transport the child at all.

Reimbursement rates for emergency air ambulance services under Medi-Cal have not been adjusted since 1993 and the supplemental funds made available since then are set to expire at the end of 2019. Helicopter bases servicing Children's Hospitals often have more than 70% of their patients insured by Medi-Cal making this situation all the more urgent for children in crisis.

Delays in patient care due to denial of air ambulance services by insurance companies for patients who clearly require emergent ICU-level care are already occurring. These delays can lead to further complications even after the patient has reached an ICU. In one reported instance, a 4-year old patient had fallen ill in Las Vegas, NV. His liver had started to fail, and the hospital in Las Vegas recognized the child needed ICU level care. Moreover, the hospital recognized the patient needed to be transferred to a facility that could perform liver transplants. An urgent request to transfer to UCLA was made. The patient's insurance company denied the transport request, and the parents were unable to pay out of pocket for the transport. It took an additional two days before the patient was finally transported via air ambulance to UCLA. By that time, his liver function had worsened to the point where he had suffered brain damage. With circumstances as reported, this might have been preventable had the transport request been expedited and reimbursed through a better system.

AB 651 would help ensure that Californians not be charged an excessively high rate for emergency air ambulance services so that critically ill children get the care they desperately need. Pediatricians across the state strongly support AB 651. We thank you for your public service and leadership on behalf of the health and well-being of the children, youth, and families of California.

Sincerely,

A handwritten signature in black ink that reads "Kris E. Calvin".

Kris Calvin
Chief Executive Officer
American Academy of Pediatrics, California

Cc: AAP-CA Leadership; AAPCA Advocate Lydia Bourne; Senior Policy Analyst Meghana Karmarkar, MD