

ASSEMBLY BILL

No. 1450

Introduced by Assembly Member Hoover

February 21, 2025

An act to amend Section 1371.55 of the Health and Safety Code, and to amend Section 10126.65 of the Insurance Code, relating to air ambulance services.

LEGISLATIVE COUNSEL'S DIGEST

AB 1450, as introduced, Hoover. Air ambulance services.

Existing law, the Knox-Keene Health Care Service Plan Act of 1975, provides for the licensure and regulation of health care service plans by the Department of Managed Health Care. Existing law also provides for the regulation of health insurers by the Department of Insurance. Existing law requires that health care service plan contracts and health insurance policies provide coverage for certain services and treatments, including emergency medical transportation services. Existing law requires a health care service plan contract or a health insurance policy issued, amended, or renewed on or after January 1, 2020, to provide, among other things, that if an enrollee, insured, or subscriber receives covered services from a noncontracting air ambulance provider, the individual will 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, referred to as the in-network cost-sharing amount.

This bill would make a technical, nonsubstantive change to those provisions.

Vote: majority. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 1371.55 of the Health and Safety Code
2 is amended to read:

3 1371.55. (a) (1) ~~Notwithstanding Section 1367.11, a~~A health
4 care service plan contract issued, amended, or renewed on or after
5 January 1, 2020, shall provide that if an enrollee receives covered
6 services from a noncontracting air ambulance provider, the enrollee
7 shall pay no more than the same cost-sharing amount that the
8 enrollee would pay for the same covered services received from
9 a contracting air ambulance provider. This amount shall be referred
10 to as the “in-network cost-sharing amount.”

11 (2) An enrollee shall not owe the noncontracting provider more
12 than the in-network cost-sharing amount for services subject to
13 this section. At the time of payment by the plan to the
14 noncontracting provider, the plan shall inform the enrollee and the
15 noncontracting provider of the in-network cost-sharing amount
16 owed by the enrollee.

17 (b) The following shall apply for purposes of this section:

18 (1) Any cost sharing paid by the enrollee for the services subject
19 to this section shall count toward the limit on annual out-of-pocket
20 expenses established under Section 1367.006.

21 (2) Cost sharing arising from services subject to this section
22 shall be counted toward any deductible in the same manner as cost
23 sharing would be attributed to a contracting provider.

24 (3) The cost sharing paid by the enrollee pursuant to this section
25 shall satisfy the enrollee’s obligation to pay cost sharing for the
26 health service.

27 (c) A noncontracting provider may advance to collections only
28 the in-network cost-sharing amount, as determined by the plan
29 pursuant to subdivision (a), that the enrollee failed to pay.

30 (d) A health care service plan or a provider may seek relief in
31 any court for the purpose of resolving a payment dispute. A
32 provider is not prohibited from using a health care service plan’s
33 existing dispute resolution processes.

34 (e) Air ambulance service providers remain subject to the
35 balance billing protections for Medi-Cal beneficiaries under Section
36 14019.4 of the Welfare and Institutions Code.

37 SEC. 2. Section 10126.65 of the Insurance Code is amended
38 to read:

1 10126.65. (a) (1) ~~Notwithstanding Section 10352, a~~ A health
2 insurance policy issued, amended, or renewed on or after January
3 1, 2020, shall provide that if an insured or subscriber receives
4 covered services from a noncontracting air ambulance provider,
5 the insured or subscriber shall pay no more than the same cost
6 sharing that the insured or subscriber would pay for the same
7 covered services received from a contracting air ambulance
8 provider. This amount shall be referred to as the “in-network
9 cost-sharing amount.”

10 (2) A subscriber or insured shall not owe the noncontracting
11 provider more than the in-network cost-sharing amount for services
12 subject to this section. At the time of payment by the insurer to
13 the noncontracting provider, the insurer shall inform the insured
14 or subscriber and the noncontracting provider of the in-network
15 cost-sharing amount owed by the insured or subscriber.

16 (b) The following shall apply for purposes of this section:

17 (1) Any cost sharing paid by the insured or subscriber for the
18 services subject to this section shall count toward the limit on
19 annual out-of-pocket expenses established under Section 10112.28.

20 (2) Cost sharing arising from services subject to this section
21 shall be counted toward any deductible in the same manner as cost
22 sharing would be attributed to a contracting provider.

23 (3) The cost sharing paid by the insured or subscriber pursuant
24 to this section shall satisfy the insured’s or subscriber’s obligation
25 to pay cost sharing for the health service.

26 (c) A noncontracting provider may advance to collections only
27 the in-network cost-sharing amount, as determined by the insurer
28 pursuant to subdivision (a), that the insured or subscriber failed to
29 pay.

30 (d) A health insurer or a provider may seek relief in any court
31 for the purpose of resolving a payment dispute. A provider is not
32 prohibited from using a health insurer’s existing dispute resolution
33 processes.