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BILL



ANALYSIS

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Senate Bill 995 (as introduced 3-1-12)  
Sponsor: Senator Howard C. Walker  
Committee: Insurance

Date Completed: 6-4-12

### **CONTENT**

**The bill would amend the Public Health Code to limit to \$2.0 million the maximum amount of liability coverage required for an aircraft transport vehicle in an operation that transported patients less than an average of 45 times a year over a five-year period.**

The Code prohibits a person from operating an aircraft transport vehicle unless it is licensed by the Department of Community Health and operated as part of a licensed aircraft transport operation. An aircraft transport operation must submit an application and \$100 fee for each vehicle in service. The application must include a certificate of insurance for the vehicle in the amount and coverage required by the Department.

Under the bill, when the Department determined the required amount of liability coverage, if an aircraft transport operation transported patients less than an average of 45 times a year over the five-year period before the date coverage began, the operation would not be required to have more than \$2.0 million in liability coverage on each aircraft transport vehicle in that operation.

(The Code defines "aircraft transport operation" as a person licensed under Part 209 (Emergency Medical Services) to provide patient transport, for profit or otherwise, between health facilities using an aircraft transport vehicle. "Aircraft transport vehicle" means an aircraft that is primarily used or designated as available to provide patient transportation between health facilities and that is capable of providing patient care according to orders issued by the patient's physician.)

MCL 333.20934

Legislative Analyst: Suzanne Lowe

### **FISCAL IMPACT**

The bill would reduce the cost of liability insurance for certain aircraft transport operations that transport patients. Such a change would result in an indeterminate reduction in costs for publicly owned facilities, such as hospitals, that operate such aircraft.

Fiscal Analyst: Steve Angelotti

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