

STATE OF NORTH DAKOTA
BEFORE THE INSURANCE COMMISSIONER

In the Matter of)	CEASE AND DESIST ORDER
)	AND NOTICE OF
Air Evac EMS, Inc. d/b/a AirMedCare)	OPPORTUNITY FOR HEARING
Network; Air Evac EMS, Inc. d/b/a)	
Air Evac Lifeteam; Guardian Flight)	OAH File No. _____
LLC; Guardian Flight, LLC d/b/a)	Case No. AG-20-809
Valley Med Flight; Med-Trans)	
Corporation; and REACH Medical)	
Holdings, LLC;)	
)	
)	
Respondents.)	

To the Respondents identified below:

Air Evac EMS, Inc. d/b/a AirMedCare Network
Seth Myers, President
1001 Boardwalk Springs Place, Ste. 250
O'Fallon, MO 63368

Guardian Flight, LLC
Sean T. Russell, President
10888 S. 300 W.
South Jordan, UT 84095

REACH Medical Holdings, LLC
Sean T. Russell, President
451 Aviation Blvd., Suite 101
Santa Rosa, CA 95403

Air Evac EMS, Inc. d/b/a Air Evac Lifeteam
Seth Myers, President
1001 Boardwalk Springs Place, Ste. 250
O'Fallon, MO 63368

Guardian Flight, LLC d/b/a Valley Med Flight
Sean T. Russell, President
10888 S. 300 W.
South Jordan, UT 85095

Med-Trans Corporation
Robert Hamilton, President
2871 Lake Vista Dr., Ste. 150
Lewisville, TX 75067

Insurance Commissioner Jon Godfread ("Commissioner") has determined as follows:

1. N.D.C.C. § 26.1-01-03.1 authorizes the Commissioner to issue an Order to cease and desist when it appears that any person or business entity is or has engaged in

an act or practice which violates or may lead to a violation of Title 26.1 of the North Dakota Century Code.

2. N.D.C.C. § 26.1-47-08 states, in part:

An air ambulance provider, or an agent of an air ambulance provider, may not sell, solicit, or negotiate a subscription agreement or contract relating to services or the billing of services provided by an air ambulance provider.

3. Air Evac EMS, Inc. d/b/a AirMedCare Network (hereinafter “AirMedCare”), is a foreign corporation with its principal place of business in O’Fallon, Missouri. AirMedCare is a self-described alliance of affiliated ambulance providers, including Air Evac Lifeteam, Guardian Flight, Valley Med Flight, Med-Trans Corporation, and REACH Medical Holdings.

4. Air Evac EMS, Inc. d/b/a Air Evac Lifeteam, (hereinafter “Air Evac Lifeteam”), is a foreign corporation with its principal place of business in O’Fallon, Missouri.

5. Guardian Flight, LLC, (hereinafter “Guardian Flight”), is a foreign corporation with its principal place of business in South Jordan, Utah.

6. Guardian Flight, LLC d/b/aValley Med Flight (hereinafter “Valley Med Flight”) is a foreign corporation with its principal place of business in South Jordan, Utah, and is a wholly owned subsidiary of Guardian Flight, LLC.

7. Med-Trans Corporation, (hereinafter “Med-Trans Corporation”), is a domestic corporation with its principal place of business in Lewisville, Texas.

8. REACH Medical Holdings, LLC, (hereinafter “REACH Medical Holdings”), is a foreign corporation with its principal place of business in Santa Rosa, California.

9. N.D.R. Civ.P., Rule 4(b)(2) states, in part:

A court of this state may exercise personal jurisdiction over a person who acts directly or by an agent as to any claim for relief arising from the person’s having such contact with this state that the exercise of personal jurisdiction over the person does not offend against traditional notions of justice or fair play

or the due process of law, under one or more of the following circumstances:

- (A) transacting any business in this state;
- (B) contracting to supply or supplying service, goods, or other things in this state;

10. The Commissioner has a reasonable basis to believe that the Respondents have engaged in, are engaging in, or are about to engage in, an act or practice as more fully described below which violates or may lead to a violation of N.D.C.C. title 26.1. It is necessary and appropriate in the public interest and for the protection of North Dakota consumers to restrain these acts or practices of Respondents.

11. The Commissioner has come into information which alleges that Respondent AirMedCare, as an agent for Respondents Air Evac Lifeteam, Guardian Flight, Valley Med Flight, Med-Trans Corporation, and REACH Medical Holdings, has knowingly sold, solicited, or negotiated an air ambulance subscription agreement or contract relating to services or the billing of services provided by an air ambulance provider, since at least September 11, 2019, when an AirMedCare sales representative negotiated an air ambulance subscription over the phone to an individual known to the AirMedCare sales representative to be a North Dakota resident. By these actions, Respondent AirMedCare has shown itself to be in violation of N.D.C.C. § 26.1-47-08.

12. The Commissioner has come into information which alleges that Respondents Air Evac Lifeteam, Guardian Flight, Valley Med Flight, Med-Trans Corporation, and REACH Medical Holdings have knowingly sold, solicited, or negotiated an air ambulance subscription agreement or contract relating to services or the billing of services provided by an air ambulance provider since at least September 11, 2019, when a sales representative of the Respondents' agent, AirMedCare, negotiated an air ambulance subscription over the phone to an individual known to the AirMedCare sales representative to be a North Dakota resident. By these actions, Respondents Air Evac Lifeteam, Guardian

Flight, Valley Med Flight, Med-Trans Corporation, and REACH Medical Holdings have shown themselves to be in violation of N.D.C.C. § 26.1-47-08.

13. The Commissioner has come into information which alleges that Respondent AirMedCare, as an agent for Respondents Air Evac Lifeteam, Guardian Flight, Valley Med Flight, Med-Trans Corporation, and REACH Medical Holdings, has knowingly sold, solicited, or negotiated an air ambulance subscription agreement or contract relating to services or the billing of services provided by an air ambulance provider beginning on or about at least September 23, 2019, and continuing on to the date of this filing, by targeting Facebook advertisements for air ambulance subscription services to North Dakota residents. By these actions, Respondent AirMedCare has shown itself to be in violation of N.D.C.C. § 26.1-47-08.

14. The Commissioner has come into information which alleges that Respondents Air Evac Lifeteam, Guardian Flight, Valley Med Flight, Med-Trans Corporation, and REACH Medical Holdings have knowingly sold, solicited, or negotiated an air ambulance subscription agreement or contract relating to services or the billing of services provided by an air ambulance provider beginning on or about at least September 23, 2019, and continuing through on through the date of this filing, by targeting Facebook advertisements for air ambulance subscription services to North Dakota residents through the Respondents' agent, AirMedCare. By these actions, Respondents Air Evac Lifeteam, Guardian Flight, Valley Med Flight, Med-Trans Corporation, and REACH Medical Holdings have shown themselves to be in violation of N.D.C.C. § 26.1-47-08.

15. The Commissioner has come into information which alleges that Respondent AirMedCare, as an agent for Respondents Air Evac Lifeteam, Guardian Flight, Valley Med Flight, Med-Trans Corporation, and REACH Medical Holdings, have knowingly sold, solicited, or negotiated an air ambulance subscription agreement or contract relating to

services or the billing of services provided by an air ambulance provider by admissions from AirMedCare's customer service representative on or about August 28, 2019, and by admissions from AirMedCare's General Counsel on or about August 29, 2019 that AirMedCare will sell an air ambulance subscription to a North Dakota residence if a North Dakota resident calls AirMedCare from North Dakota in response to an AirMedCare advertisement to inquire about the purchase of air ambulance subscription service. By these actions, Respondent AirMedCare has shown itself to be in violation of N.D.C.C. § 26.1-47-08.

16. The Commissioner has come into information which alleges that Respondents Air Evac Lifeteam, Guardian Flight, Valley Med Flight, Med-Trans Corporation, and REACH Medical Holdings have knowingly sold, solicited, or negotiated an air ambulance subscription agreement or contract relating to services or the billing of services provided by an air ambulance provider by admissions from their agent AirMedCare's customer service representative on or about August 28, 2019, and by admissions from their agent AirMedCare's General Counsel on or about August 29, 2019 that AirMedCare will sell an air ambulance subscription to a North Dakota resident if a North Dakota resident calls AirMedCare from North Dakota in response to an AirMedCare advertisement to inquire about the purchase of air ambulance subscription services. By these actions, Respondents Air Evac Lifeteam, Guardian Flight, Valley Med Flight, Med-Trans Corporation, and REACH Medical Holdings have shown themselves to be in violation of N.D.C.C. § 26.1-47-08.

17. The Commissioner has come into information which alleges that Respondent Valley Med Flight is providing air ambulance services in North Dakota and has knowingly sold, solicited, or negotiated an air ambulance subscription agreement or contract relating to services or the billing of services provided by an air ambulance provider by posting a website directing and linking consumers to the AirMedCare ambulance subscription service

application on the AirMedCare website, thereby selling, soliciting or negotiating air ambulance subscription services in the State of North Dakota.

18. Respondents' conduct outlined above constitutes violations of N.D.C.C § 26.1-47-08 or may lead to a violation of N.D.C.C § 26.1-47-08.

19. The Commissioner reserves to the right to bring future administrative and civil actions to seek administrative and civil fines of up to ten thousand dollars for each violation of Title 26.1 and N.D.C.C. § 26.1-47-08.

NOW, THEREFORE, IT IS HEREBY ORDERED pursuant to N.D.C.C. § 26.1-01-03.1 that Respondents either directly or indirectly through named and unnamed persons, entities, agents, or otherwise, shall immediately **CEASE AND DESIST** from selling, soliciting, or negotiating subscription agreements or contracts relating to services or the billing of services provided by an air ambulance provider in the State of North Dakota.

NOTICE OF OPPORTUNITY FOR HEARING. Any party aggrieved by the Commissioner's order may make written application for a hearing on the order within thirty days of the date of the order. The application for a hearing must briefly state the respects in which the applicant is aggrieved by the order and the grounds for relief to be relied upon at the hearing. A hearing must be held not later than ten days after an application for hearing is received unless a delay is requested by all persons named in the order. The Commissioner, within thirty days after the hearing, shall issue an order vacating the cease and desist order or making the cease and desist order permanent, as the facts require. The failure of any named person to appear at any proper hearing under this section after receiving notice of the hearing will cause that person to be in default and the allegations contained in the cease and desist order may be deemed to be true and may be used against the person at the hearing. If no hearing is requested by written application, the commissioner's order becomes permanent. N.D.C.C. § 26.1-01.03.1.

DATED this 5th day of February, 2020.



Jon Godfread
Commissioner
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