

Testimony of Association of Connecticut Ambulance Providers
Before the Human Services Committee
February 13, 2007
Supporting Raised Bill No. 5654 AN ACT CONCERNING AN INCREASE IN THE
MEDICAID REIMBURSEMENT RATE FOR AMBULANCE SERVICES.

Good (afternoon/morning). My name is Greg Allard and I am Vice President of the Association of Connecticut Ambulance Providers also known as ACAP. I am here today to provide testimony in favor of Raised Bill No. 5654. The Association of Connecticut Ambulance Providers is comprised of the six largest commercial ambulance services that respond to approximately 80% of the emergency requests in the state and an even greater percentage of Non-Emergency transport requests. Commercial ambulance services are regulated by the Department of Public Health, Office of Emergency Medical Services, and are done so through a public utility model. Our rates are set for us annually and are based on our costs to provide these services. These rates are what we submit to all commercial and private payers for reimbursement however; Medicare and Medicaid set their own rate which means that when we transport patients covered by Medicare and Medicaid we are forced to write off a large portion of our services as bad debt. I'll provide you with an example: an ambulance transports a patient from their residence to an Emergency Department for a broken arm. The rate associated with this type of call would be \$433.00. Our reimbursement from Medicaid would be \$173.45. Our bad debt would be \$259.55 or 60% of our state rate. ACAP has been active in communicating the need to raise our rates with the Department of Social Services and we recently achieved a nominal increase. We were grateful for this increase however the rate still remains well below our operating costs. The reimbursement we receive has a direct impact on the preparedness of this state. All commercial ambulance services play vital roles in disaster

situations. In order for us to be prepared to respond in these situations we need reimbursement to help us with training and equipment costs. If a disaster situation were to occur today we could get through it but we could be much better prepared than we actually are. While considering this bill I would like you to consider this. The language as drafted suggests that the Medicaid rate become tied to the Medicare reimbursement rate. My concern with this is that the Medicare reimbursement rate has been declining and this will only lead us back to this forum again. My suggestion is that you look at our state rates and consider a percentage of that rate as it is actually based on our costs. This could actually be a win-win situation for all. Even if you don't take my suggestion into consideration I still support this bill and urge you to do so as well. Thank you for your time and attention.