

# *The Connecticut EMS Chiefs Association*

*PO Box 643*

*Suffield, Connecticut 06078*

**Date:** February 22, 2013

**To:** Appropriations Committee

**From:** Bruce Baxter, President

**RE: Impact of current fiscal year budget reductions and proposed Department of Social Services FY'14-15 Budget on State EMS Providers.**

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Senator Harp; Representative Walker; Committee, Vice Chairs; Ranking Members, and Members of the Appropriations Committee

My name is Bruce Baxter. I am the Chief Executive Officer of New Britain Emergency Medical Services, Inc., (NBEMSI) and the President of the Connecticut EMS Chiefs' Association.

NBEMSI is the lead 9-1-1 EMS response organization for the City of New Britain providing care to 14,000, 9-1-1 patients and transporting 11,000 patients to hospitals, annually.

The Connecticut EMS Chief's Association represents the Chief Executive Officers of those ambulance services operating in the State of Connecticut whose sole and primary mission is the response, care and transportation of individuals experiencing an acute out of hospital medical or traumatic emergency as well as providing 9-1-1 transport services to our community based hospitals as needed. Eligible members of our association are directly responsible for more than 70% of the 350,000 9-1-1 EMS responses managed in the State each year.

In October of 2011 and retroactive to July 1, 2011, **Medicaid reimbursement for Emergency Ambulance Transportation was reduced from \$218.82 to \$196.94**, as the result of balancing the State budget in the fall of 2011. Additionally, recent action reduced the non-emergency ambulance transportation reimbursement rate to mirror the emergency rate reduction, in order to balance the current

year's budget. These reductions in reimbursement have put a significant strain on the fiscal stability of all ambulance providers, who provide a vital service of saving lives.

**The current Medicaid rate only accounts for 46% of the true median costs**, as illustrated in the recent United States Government Accountability Office (GAO) Report (October 2012) to Congressional Committees. This report reflects 2010 data. **They reported the cost to range from \$405.00 to \$475.00; with the median cost being \$429.00.** The cost increased for services that had a higher percentage of Emergency and Advanced Life Support (ALS) calls; whereas the lower end reflected the non-emergency transportation costs.

Twenty five percent (25%) of 911, community based ambulance services, including NBEMSI, have a significant disproportionate share of Medicaid patients. The National and State averages are approximately 15%. **In New Britain, 43% of the 11,000 patients transported by NBEMSI are Medicaid beneficiaries.** There is no additional reimbursement structure to compensate for the loss sustained from these disproportionate demographics.

The reimbursement structure of Emergency Ambulance Services presents other obstacles, which further escalates our fiscal erosion as follows:

- **The ambulance industry has to provide treatment and transport regardless of payment.** They cannot refuse patients.
- **The industry has become the default Primary Care Provider (PCP),** due to the lack of access to care.
- **The ambulance industry does not have a free care/bad debt pool**

The proposed FY'14-15 biennial budget proposes additional cost savings by transitioning stretcher bound patients to an expansion of the current medical livery system through the use of stretcher vans. The vast majority of patients who meet the criteria for non emergency ambulance (stretcher) transport from home or a healthcare facility to another healthcare facility have complex underlying medical conditions. Discharging a patient from a hospital for transport to their residence, a convalescent home, or rehabilitation hospital requires well trained certified or licensed EMS providers who can rapidly identify a change in the patient's health status and provide treatment. Additionally, the patient needs to

be transported in a properly designed and equipped vehicle that provides for the safety and integrity of the patients health during transport. The movement of the stretcher with a patient on it is the provision of patient care. For the protection of the patient, transportation should only be rendered by appropriately trained and certified personnel.

In closing, I would:

- Urge that you **do not adopt the Department of Social Services planned implementation of stretcher van services.**
- Find a way to **repeal and restore the past 10% reduction in reimbursement for Emergency Ambulance Services.**
- Urge this committee to mandate that DSS work with representatives of the Association of Connecticut Ambulance Providers and the CT EMS Chiefs Association to **develop a formalized reimbursement structure for the transportation of emergency and non-emergency ambulance patients whose methodology is based upon the true cost of providing services.**