



Association of Connecticut Ambulance Providers

Aetna Ambulance :- Ambulance Service of Manchester :- American Ambulance Service
Campion Ambulance Service :- Hunter's Ambulance Service

Testimony of
David D. Lowell, President
Association of Connecticut Ambulance Providers

IN OPPOSITION TO

HB 6350- AN ACT CONCERNING THE BUDGET FOR THE BIENNIUM ENDING JUNE 30, 2015, AND OTHER PROVISIONS RELATING TO REVENUE.

Friday, February 22, 2013

Senator Harp, Representative Walker and distinguished members of the Appropriations Committee.

My name is David Lowell. I am President of the Association of Connecticut Ambulance Providers. Our association members provide ambulance medical transports for approximately 200,000 patients on an annual basis and serve 45 towns in Connecticut. This is done with a network of 128 ambulances and dedicated staff of over 900 including highly trained first responders.

I am here today to speak in opposition of the relevant sections of the bill that call for the creation and utilization of a new form of medical transportation referred to as "stretcher van" with a proposed savings of \$ 5.4 Million.

It is important to note that the legislature deliberated and decided not to introduce the use of stretcher vans for Medicaid patients in the last two legislative sessions. Even though the legislature rejected the proposal for two consecutive years, it was included in the budget mitigation plan.

Stretcher van transport is not medical service (any more that if you went in a taxi). No medical care is provided and no medical record is created. And yet the intended savings as proposed is for patients receiving medical transportation benefits under the Non Emergency *Medical* Transportation (NEMT) program.

Medicare and Health Insurance carriers do not recognize this kind of transportation as a covered service except under very rare, pre-approved conditions.

The proposal directs that the Department of Transportation develop regulations for stretcher van as a new form of livery transportation which we believe is ill conceived. Patients requiring medical transportation are just that, patients. They require specific lifting and moving assistance and equipment, and need to be transported in a vehicle

properly equipped to safely secure them, by technicians that are trained to properly move them and assess their medical or physical needs.

Connecticut's current Medical transportation system is unique, well established and has a high integrity of oversight for patient evaluation, determination of medical necessity and assignment of the proper mode of transportation.

Transportation of non-emergency medical patients is separated into two categories:

1. Medical patients who can tolerate a wheelchair for transport and who don't require special lifting or moving equipment, and who don't require medical surveillance.

2. Medical patients who through their medical condition, require a stretcher, and specialized equipment to lift and move the patient from their point of pick up to the stretcher, and from their stretcher to their point of destination. These patients by virtue of the physical-medical disability require the special training of ambulance personnel to lift, move, and carry the patient into and out of their residence or skilled nursing or extended care facility.

Logisticare is the broker under contract with DSS as an ASO for the Non-Emergency *Medical* Transportation (NEMT) program to provide the screening of most appropriate form of transportation for Non-Emergency *Medical* patients. They typically screen all patients through a registered Nurse to determine and authorize medical necessity for stretcher transport.

Our current network of medical transportation system has been designed around standards of care which are managed through statute and regulation by the Department of Public Health and exist for the health and safety of the general public. These statutes and regulations clearly define licensure and certification standards for both the vehicles that carry the patients as well as the highly skilled professionals who operate the vehicles and care for the patients. The design and construction of the ambulances are also regulated by very stringent federal specifications which include very specific criteria for the safe installation and securing of the stretcher. Stretcher transports that occur today must meet a strict test for medical necessity.

In addition to patient safety concerns, we should bring to your attention that reducing non-emergency ambulance transports negatively impacts the fragile balance necessary to maintain an adequate emergency ambulance system.

The Medicaid rate of reimbursement of Emergency Ambulance transports was cut 10% in September 2011, retroactive to July 01, 2011. In January 2013, the Medicaid rate of reimbursement for Non-Emergency Ambulance transports was cut by 10%. The resulting rate of reimbursement for both services is currently \$196.94. This rate is well below our

costs to provide the service, below the Medicare reimbursement rate, and well below the State of Connecticut Regulated rates for ambulance service.

The United States Government Accountability Office (GAO) has conducted two national studies regarding Ambulance Service costs and published reports in both 2007 and 2012. The GAO report published in May, 2007 determined that the average cost per transport for ambulance companies across the country was \$415 and the base Medicare reimbursement rate was 6% under that cost. The 2012 GAO report determined that the median cost to ambulance providers was \$429 and the base Medicare reimbursement rate was 2% under that cost.

Connecticut's current Medicaid rate is 52 % of the current federal Medicare rate, and 46% of a providers costs resulting in each provider losing an average of \$232 per Medicaid transport. We urge restoration of Medicaid Ambulance service rates and support proposed bill No. 594 which serves to partially restore Medicaid reimbursement for emergency ambulance rate to 2010 rates.

We urge you to oppose the inclusion of stretcher van as a cost savings measure as proposed under the budget mitigation plan. We strongly believe it [stretcher van] is an unsafe form of medical transportation and will not save money but will likely shift additional costs to the Medicaid program.

I would like to thank you for the opportunity to offer my testimony on this extremely important issue.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "David D. Lowell". The signature is written in a cursive, flowing style.

David D. Lowell
President