New Britain
EMERGENCY MEDICAL SERVICES, INC.

"Helping People - Saving Lives - Caring for the Community" Since 1977

Public Hearing – Appropriations Committee – February 27, 2015

Re: HB 6846-An Act Implementing the Governor's Budget recommendations for Human Services Programs.

Submitted by: Jan Carbonneau, Assistant Chief Executive Officer, New Britain EMS, Inc., 225 Arch Street, New Britain, CT 06050-2018; (860) 770-3179

Senator Beth Bye, Co-Chair, Appropriations Committee, Rep. Toni Walker, Co-Chair Appropriations Committee, Vice Chairs, Ranking Members and Members.

Problem: New Britain EMS, Inc, (NBEMS) as well as other 911 emergency urban providers are financially challenged by the low Medicaid rates. Eliminating the cross-over funding will severely impact the level of care because the current reimbursement system is far below the cost to provide the service.

Facts:

- NBEMS is a **non-profit agency** that has been in business for 36 years as a **Certified Provider.**
- NBEMS is the designated **911 Primary Service Area Responder** (PSAR) for the City of New Britain.
- In FY 14, NBEMS transported 11,000 emergency calls of which **46% were Medicaid clients.** The **national average is 13%. We incur a significant disproportionate share of Medicaid Clients, to add to the problem**
- NBEMS is currently receiving **$.44 on every dollar spent**.
- **Every level of service is reimbursed at $196.94, plus mileage. Our average reimbursed rate is 204.00. Our direct costs to provide each service are $442.00.**
- NBEMS will incur another **170k loss per year if the crossover funding is eliminated.**
- Unlike other healthcare providers (with the exception of the Emergency Department) the **ambulance industry has to provide treatment and transport regardless of payment. It is an unfunded mandate.**
- Unlike hospitals, the ambulance industry can't bill for every response/service. **Because of state regulation/statute, we are precluded from billing for treat/transport, yet the medical assistance fee schedule allows for a payment of 74.80.**
- **There is no cost methodology/analysis to support the rates.**
- **The current fee structure is a, "one size fits all".** It is the only payer that doesn't reimburse based on level of service. It costs more money to provide advanced life support than basic life support or non-emergency transfers. Our rates, set by DPH are structured on service levels, that parallels the Medicare service levels and so shouldn't the reimbursement.
- It is the only payer that **does not recognize the cost of readiness for 911 services.**

- **There is no inflation adjustments** to parallel the rising costs, which is recognized by other payers and the rate schedule
- Number of Medicaid transports is increasing due to access to primary care. **The ambulance service has become the default PCP.**

Solution: Evaluate the entire Ambulance Reimbursement Structure based on the aforementioned facts, prior to making any cuts in the crossover funding.