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May 1, 2023

Senator Joseph Baldacci, Chair
Representative Michele Meyer, Chair
Members, Joint Standing Committee on Health and Human Services
100 State House Station
Augusta, ME 04333-0100

Re: LD 1751 – *An Act to Maximize Federal Funding in Support of Emergency Medical Services*

Senator Baldacci, Representative Meyer, and Members of the Joint Standing Committee on Health and Human Services:

This letter is to provide information and express the Department's opposition to LD 1751, *An Act to Maximize Federal Funding in Support of Emergency Medical Services*. This bill establishes an ambulance service assessment fee on ambulance service providers to maximize federal funding for reimbursement to ambulance service providers under the MaineCare program. It also increases the reimbursement rates under the MaineCare program for ambulance services, neonatal transport, no-transport calls, and community paramedicine.

Although the Department is opposed to LD 1751, it is important to note that the recognizes the challenges facing some EMS providers. To that end, the Administration is working with the Speaker of the House, members of the Criminal Justice Committee, and EMS representatives to pass LD 526, *An Act to Provide Funding to Emergency Medical Services Organization*, which is designed to provide both short-term emergency relief and incentives for long-term efficiency.

Below is the Department's input on the sections of the bill:

Section 1 – The Department is opposed to establishing a service assessment fee for ambulance services and creation of this fund. We do not believe CMS approval would be likely. While it is referenced as a "fee," it would act more like a tax.

This fund would be difficult and costly to administer. As interpreted, the Department assumes all data collection, calculations, and fee assessment would be conducted by the Division of Audit. This additional work would strain existing systems. The Department currently does not have capacity to develop and implement such structure. Additional staffing, internal support, and systems would be required.

Section 2 – The rate reform system established last year in PL21, Ch. 639 created a process for analyzing and prioritizing rates paid to providers. The goal of PL21, Ch. 639 was in part to move toward more consistent, equitable, and data driven rates that create incentives for efficiency and high-quality care for members. This bill perpetuates a system of rate setting that conflicts with PL21, Ch. 639 by establishing percent increases that have not been developed through the systematic, methodological approach

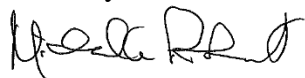
mandated in PL21, Ch. 639 which the Department is already undertaking. Specifically, further concerns are:

1. This bill proposes Ambulance Services under MaineCare be reimbursed at a level that is not less than 200% of the allowable Medicare reimbursement rate; no other Medicare-benchmarked services are reimbursed at such a high percentage. This massive rate increase would create significant inequity with other providers whose rates are also set at a certain percentage of Medicare.
2. Neonatal transport is already a MaineCare covered service.
3. No-transport calls – the Department already reimburses for no-transport calls under Chapter II, Section 5, Ambulance Services: “Emergency medical services may be provided at the scene of an illness, injury or accident when transporting the member is not medically necessary.”
4. MaineCare is currently leading a project to build a community paramedicine benefit model. In this effort, we are working closely with the Department of Public Safety, Maine Emergency Medical Services (EMS), their Community Paramedicine Committee, and their vendor, the Cutler Institute. Recent work, including the completion of the Cutler Institute’s work this summer marks the beginning of MaineCare’s work to build a reimbursable model, gain stakeholder feedback, develop rate methodology and rates in compliance with P.L. 2021 ch. 639 and then to seek CMS approval. The timeline proposed in this bill is not feasible to allow the necessary time for these steps.

Section 3 - The Department does not believe CMS would approve the service assessment fee.

We would be happy to answer questions and provide additional information should it be helpful to the Committee.

Sincerely,



Michelle Probert
Director
MaineCare Services