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Testimony of J. Sam Hurley, MPH, EMPS, NRP

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Department of Public Safety

Neither For Nor Against of LD 526

"An Act to Provide Funding to Emergency Medical Services Organizations"

Presented by House Speaker Representative Rachel Talbot Ross

BEFORE THE JOINT STANDING COMMITTEE ON CRIMINAL JUSTICE AND PUBLIC
SAFETY

Public Hearing: Monday, March 20, 2023

Senator Beebe-Center, Representative Salisbury, and honorable members of the Joint Standing Committee on Criminal Justice and Public Safety:

My name is Sam Hurley, and I am the Director of Maine Emergency Medical Services, Maine EMS, within the Department of Public Safety. I am testifying on behalf of Maine Department of Public Safety and Maine EMS neither for nor against LD 526, *"An Act to Provide Funding to Emergency Medical Services Organizations."*

Maine EMS recognizes the immediate need for some EMS agencies in the State of Maine to receive supplemental funding to ensure sustainability of "essential services" to the community(s) that they serve.¹ Currently, EMS agencies throughout the state are funded using a precarious combination of local subsidies (i.e., tax dollars), in-kind donations (including volunteer labor), and insurance reimbursements. Current models suggest that it is impossible for reimbursements alone to cover the cost of delivering EMS service as it doesn't include the necessary

¹ The 130th Legislature deemed emergency medical services essential; however, they did not determine where the responsibility for their maintenance rests (32 MRS §81-A).

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administration to support the operation. Even at 2,500 transports per EMS unit, it still will require some form of subsidy. Important to note, currently in Maine fewer than 10% of licensed EMS agencies have that call volume for their entire service.² This strongly emphasizes the current lack of sustainability that is pervasive within the Maine EMS system. Therefore, it is imperative that any funds made available through the state no longer perpetuate a failing, unsustainable system, but instead assist the system with changing directions to become more sustainable and reliable.

While no funding mechanism has currently been identified, we believe that one-time funding, if introduced into the system, should be in the form of a grant that is funded from an allocation to a non-lapsing state account. Fiscal support through the grant program should be designed to promote sustainability within the EMS system. Failure to do so, may create a future funding cliff and perpetuate the system's current crisis. To be successful and avoid negatively impacting the advancement of the system, the program must deliberately address the following components:

- Explicitly advance sustainability of the system, including deepening the understanding of the value and true cost of EMS locally and regionally. Additionally, they should support engaging local community members and leaders in assuming increasing responsibility for the funding of sustainable services in their area.
- Be in alignment and spent in furtherance of the Board's Strategic Plan for 2035. This means that monies would be limited to expenditures related to public and governmental understanding and valuing of EMS, EMS data, EMS system evolution, EMS finances, EMS workforce, and EMS clinical care.
- Be used to ameliorate issues directly related to the sustainability of systems, cost reporting, workforce, or clinical care, excluding major capital expenditures ($\geq \$50,000$)
- Be equitable – entities that have created more sustainable models should not be penalized for those who have poorly planned or created unsustainable systems
- Have limitations that minimize the potential effects on the EMS labor market.

Anecdotally, it has been suggested that the funds could be used to increase salaries for EMS clinicians and the workforce as pay has been noted as a major contributor to

² It is important to note that this percentage includes some non-transporting agencies that are not eligible to bill payers for services rendered under current CMS and private payer rules. Only transports and a limited subset of non-transported patients (cardiac arrest victims that aren't transported, diabetic patients that receive intravenous medications, etc.) are able to be billed to insurance carriers.

recruitment and retention. Increases in wages may create an unstable labor market and artificially create competition and wage inflation that is unsustainable beyond the life of the current funding proposal especially in an industry where there aren't diverse income streams.

- **Be Accountable** – recipients of the funds must explain the intended use of the funds, the value-add to the system in furtherance of increasing sustainability of EMS within their community(s) and be held accountable for meeting defined metrics associated with the funding.
- **Avoid Supplantation** – in the original language, the funding appears to be distributed to transporting EMS organizations throughout the state. Most of those organizations are municipal-based organizations. Distributing funds directly to municipal organizations without sufficient accountability mechanisms poses significant risk for local municipalities supplanting the EMS organizations budget equivalent to this amount.

Maine Bureau of EMS continues to be eager to work collaboratively with House Speaker Talbot Ross, Chair Salisbury, and the Committee on this legislation. I am more than happy to answer any questions that you may have at this time, but please feel free to reach out to me anytime if there is any additional information that I can offer you and/or the Committee.

Thank you.