



Glenn "Chip" Curry
Senator, District 11

THE MAINE SENATE
132nd Legislature

3 State House Station
Augusta, Maine 04333

Testimony of Senator Chip Curry introducing
**LD 35, "An Act to Strengthen Local Emergency Medical Services by Increasing
the MaineCare Reimbursement Rate for Ambulance Services"**
Before the Joint Standing Committee on Health and Human Services
April 17, 2025

Senator Ingwersen, Representative Meyer, and distinguished members of the Joint Standing Committee on Health and Human Services, my name is Chip Curry. I represent Senate District 11, which includes the 26 rural, coastal, and island communities of Waldo County.

Today, I present to you LD 35, "An Act to Strengthen Local Emergency Medical Services by Increasing the MaineCare Reimbursement Rate for Ambulance Services," and ask you to consider a sponsor's amendment, which I have attached to my testimony. I understand this amendment was also shared with the interested parties list. This amendment and the original bill share the same goal: to the greatest extent possible, federal funds should be brought in to fill the financial hole in Maine's Emergency Medical System.

The Blue Ribbon Commission on Maine EMS identified an annual gap in funding of somewhere between \$70 and \$90 million. The expenses of delivering EMS in the state simply overwhelm the revenues. These costs have historically been absorbed by a volunteer corps and local philanthropy, but must increasingly be covered by local property taxpayers. Today's proposal is designed to strengthen our EMS providers and reduce the pressure on our local property taxpayers.

This committee has heard the amendment before. In May of 2023, I proposed LD 1751, which was one of the recommendations of the Blue Ribbon Commission on EMS.

This amendment replicates the provider assessment fee and the dedicated ambulance fund structure from LD 1751. It would establish a provider assessment program to strengthen Maine's emergency medical services system without increasing pressure on the General Fund. It does so by charging a modest, annual fee to non-municipal ambulance providers based on their operating revenue. The revenue collected is then used to draw down additional federal Medicaid dollars, significantly increasing the reimbursement rates those providers receive for delivering emergency services under MaineCare.

The amendment creates a dedicated, nonlapsing Ambulance Fee Fund where all collected fees, federal matching funds, and any future appropriations are held. These funds must be used solely to increase MaineCare reimbursement for emergency ambulance services and cannot replace existing General Fund support. To the extent funding allows, reimbursement rates can be increased up to the average commercial rate — a substantial step forward in ensuring sustainability for providers.



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The Department of Health and Human Services will be responsible for administering the program, including seeking federal approval and consulting with statewide ambulance stakeholders. If federal approval is not granted or is later withdrawn, all collected funds must be returned to the providers. The amendment also encourages DHHS to pursue additional voluntary programs that can help municipal services access federal match opportunities, expanding the scope of support even further.

I believe this proposal is a responsible and forward-looking approach to one of the most urgent challenges facing rural communities across our state. It builds on proven tools, leverages available federal resources, and provides a path to long-term stability for our EMS system, without placing new burdens on the General Fund. I respectfully ask for the Committee's support of the amendment to LD 35 and welcome any questions you may have.

Sincerely,

Chip Curry

State Senator, District 11

Representing the twenty-six rural, coastal, and island communities of Waldo County

Sponsor amendment:

LD 35, An Act to Strengthen Local Emergency Medical Services by Increasing the MaineCare Reimbursement Rate for Ambulance Services

Sec. 1. 22 MRSA c. 425 is enacted to read:

CHAPTER 425

AMBULANCE ASSESSMENT

§2150-M. Definitions

As used in this chapter, unless the context otherwise indicates, the following terms have the following meanings.

1. Ambulance service provider. "Ambulance service provider" means a person that holds itself out to be a provider of transportation of ill or injured persons or that routinely provides transportation for ill or injured persons and is licensed under Title 32, chapter 2-B. "Ambulance service provider" does not include:

A. The Maine Army National Guard, the Maine Air National Guard or the United States Armed Forces;

B. A municipal fire or police department or any other governmental entity that provides emergency ambulance services;

C. An entity that exclusively provides air ambulance services; or

D. An organization that is required to pay any tax under Title 36, Part 4.

2. Fee. "Fee" means the ambulance service assessment fee authorized by this chapter.

3. Fund. "Fund" means the ambulance fee fund established in section 2150-O.

4. Emergency ambulance services. "Emergency ambulance services" means any services delivered by an ambulance service provider.

5. Net operating revenue. "Net operating revenue" means gross revenue collected by an ambulance service provider for the delivery of emergency ambulance services less any deducted amounts for bad debts, charity care or payer discounts.

§2150-N. Ambulance service assessment fee

1. Fee established. The department shall charge every ambulance service provider a uniform ambulance service assessment fee. The fee must be assessed on each ambulance service provider's net operating revenue at a rate determined annually by the department. The rate must be calculated in a manner in which the assessment generates the state share necessary to fund the payments described in section 2150-O as long as the fee does not exceed the maximum limit allowable under 42 Code of Federal Regulations, Section 433.68(f). The department shall establish each ambulance service provider's fee using the most recent data available as determined by the department in consultation with a statewide organization representing ambulance service providers and shall update each ambulance service provider's fee amount on a periodic basis, but at least annually. All emergency ambulance services, regardless of payer, are subject to the fee, including, but not limited to, emergency ambulance services provided by ambulance service providers under fee-for-service and

managed care arrangements. An ambulance service provider's liability for the fee must, in the case of a transfer of ownership, be assumed by the successor in interest to the ambulance service provider.

2. Federal approval required. The department may charge the fee only if the department has received approval from the federal Department of Health and Human Services, Centers for Medicare and Medicaid Services necessary to authorize the Medicaid payments to ambulance service providers in accordance with section 2150-O.

3. Deposit of fees. The funds generated from the fee must be deposited into the fund and may be used only in accordance with that section. Funds generated from the fee do not revert to the General Fund and must be available for expenditure in subsequent fiscal years.

§2150-O. Ambulance fee fund

1. Fund created. The ambulance fee fund is established as a separate nonlapsing fund within the department.

2. Source of funds. Amounts credited to the fund must be expended for payments to ambulance service providers under the MaineCare program. The following sources of income must be credited to the fund:

A. All revenues generated from the fee;

B. An amount equal to any federal financial participation revenues claimed and received by the State for eligible expenditures made from the fund;

C. Any revenue from appropriations or allocated by the Legislature and specifically designated to be credited to the fund; and

D. Interest earned on any money in the fund.

3. Federal funds. The department shall seek federal funds to achieve the maximum amount of federal funding in a manner in which the assessment amount equals the state share under section 2150-N, subsection 1. The expenditures from the fund must be made by the department in a manner consistent with the requirements and conditions of 42 United States Code, Section 1396b(w) and 42 Code of Federal Regulations, Section 433.68 and may be made only under federally approved payment methods, consistent with federal funding requirements and consistent with all federal payment limits.

4. Use of funds. Amounts in the fund must be expended exclusively for reimbursing ambulance service providers under the MaineCare program and must be used to supplement, not supplant, General Fund appropriations to support emergency ambulance service reimbursements as of October 1, 2023. Amounts in the fund may not be used to replace payment commitments between the ambulance service providers and the State. The reimbursement amounts established and distributed under the MaineCare program under this section must increase the total reimbursement amount for emergency ambulance services up to the average commercial rate to the extent permitted by the amount of funds generated from the fee. Reimbursement payments must be made to ambulance service providers at least on a quarterly basis.

5. Federal approval. If the federal Department of Health and Human Services, Centers for Medicare and Medicaid Services does not authorize or withdraws approval of the Medicaid payments made to ambulance service providers in accordance with this section, all money in the fund must be returned to ambulance service providers. If the department no longer collects the fee, all money in the fund must be returned to ambulance service providers.

§2150-P. Rules

The department shall adopt rules to implement this chapter. In adopting rules under this section, the department shall consult with relevant stakeholders, including a statewide organization representing ambulance service providers.

§2150-Q. Additional funding mechanisms

The department shall implement voluntary programs to increase funding to governmental ambulance service providers, including, but not limited to, intragovernmental transfer or certified public expenditure programs, to the extent allowed under Section 1903(w)(6) of the United States Social Security Act.

Sec. 2. Federal Medicaid waivers or state plan amendments. No later than 6 months after the effective date of this Act, the Department of Health and Human Services shall submit to the United States Department of Health and Human Services, Centers for Medicare and Medicaid Services any waivers or state plan amendments determined necessary in order to accomplish the purposes of this Act.

SUMMARY

This bill establishes an ambulance service assessment fee on ambulance service providers in order to maximize federal funding for reimbursement to ambulance service providers under the MaineCare program.