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Testimony of the Maine Ambulance Association Before the Maine Health and Human Services Committee

April 17, 2025

LD 35 An Act To Strengthen Local Emergency Medical Services By Increasing The Mainecare
Reimbursement Rate For Ambulance Services

Support as Amended

Senator Ingwersen, Representative Meyer and members of the Health and Human Services Committee:

My name is Butch Russell, and I am the Executive Director of the Maine Ambulance Association.

We appreciate the Legislature's commitment to EMS funding through the \$31 million grant allocation last session. However, both rounds of grants are already underway, and EMS services are actively receiving funds that are critical to their operations.

So those funds are no longer available to increase Mainecare rates. That said, we believe LD 35 presents an opportunity to advance the broader goal: the creation of a well-structured Medicaid matching program to bring long-term sustainability to EMS funding in Maine.

We support LD 35 with amendment—specifically, to establish a fair and effective EMS-focused Medicaid match program.

Timeline of efforts leading to this opportunity

In **2022**, the first **Blue Ribbon Commission** to Study Emergency Medical Services was convened to assess the financial condition of EMS across Maine. In its final report, released in December 2022, the Commission found a \$70 million annual funding shortfall and recommended the development of a Medicaid supplemental payment program, including a provider assessment model and intergovernmental transfers.

In 2023, LD 1751 was introduced to implement these recommendations. The bill proposed establishing the program to draw down nearly \$20 million in federal matching funds through EMS provider assessments and municipal transfers. After discussion in the Health and Human Services Committee, LD 1751 was amended to a resolve directing MaineCare to study the feasibility of a Medicaid supplemental payment program for EMS. The resolve was carried over to

the 2024 legislative session, but was never funded by the Appropriations and Financial Affairs Committee. Despite broad stakeholder support and two years of Commission findings, the initiative was left incomplete.

In 2023, a second Blue Ribbon Commission was convened and issued an updated report in January 2024, that reaffirmed and expanded on the previous recommendations. The Commission again emphasized that a Medicaid match program using EMS-generated funds could bring meaningful, long-term financial sustainability to services statewide with minimal reliance on the General Fund.

In January 2025, an Medicaid match program for ambulances was proposed as Part TT of the Governor's budget LD 210. It proposes a 6% tax on about 50 non-governmental ambulance services, which would be matched with federal Medicaid funds. However, it redirects about half of these new funds to unrelated MaineCare shortfalls, and it directs the EMS portion of the new funds to raise the rates of over 200 EMS providers. This creates the inequitable problem between taxed ambulances services that would lose money, and the untaxed services would gain a windfall. Accordingly, this Health and Human Services Committee voted Ought Not to Pass on LD 210, Part TT in its report to the Appropriations Committee. There is little support on either side of the aisle for a proposal that harms EMS providers to balance the broader MaineCare budget.

LD 35 is the Opportunity to Create an EMS Medicaid Match Program that would help ambulances and the Mainecare budget

We recommend amending LD 35 to do the following:

- 1. Direct DHHS to create a Medicaid supplemental payment program for all ambulances
 - o An assessment program for non-governmental services up to 6% of patient revenue
 - o An intergovernmental transfer (IGT) option for municipal EMS providers
- 2. Cap the supplemental payments to the Average Commercial Rate, as required by federal law.
- 3. Use any remaining funds for Mainecare budget needs.

We respectfully urge the Committee to support LD 35 with this amendment to establish a durable funding model that meets the urgent needs of our EMS providers and the communities they serve.

Thank you for your continued support of emergency medical services in Maine.

Butch Russell
Executive Director
Maine Ambulance Association