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To Read

Testimony of the Maine Ambulance Association Before the Maine Health Coverage, Insurance and Financial Services Committee in Support of LD 1192

An Act to Increase the Commercial Insurance Reimbursement Rate for Ambulance Services

April 22, 2025

Senator Bailey, Representative Mathieson, and distinguished members of the Health Coverage, Insurance and Financial Services Committee:

My name is Mike Senecal, and I serve as President of the Maine Ambulance Association. On behalf of EMS providers across the state, I want to express our strong support for LD 1192.

This bill would raise the minimum commercial insurance reimbursement rate from 200% to **400% of Medicare**. It's a simple, necessary fix to a **deep financial imbalance** that is threatening the stability of EMS in Maine.

We're at a breaking point. The **Blue Ribbon Commission on EMS**, in its final report, stated plainly:

"The primary issue facing EMS is a lack of funding."

Across Maine, services are operating at a loss. More and more are turning to their municipalities for bigger subsidies just to keep ambulances staffed. Some are closing or downsizing. Local taxpayers are being asked to cover what insurers will not.

The data backs this up. According to the CMS Ground Ambulance Data Collection System:

- In **super-rural areas**, the **average cost per transport** is **\$3,505**.
- Even in **urban areas**, the **median cost** is **\$1,227** per transport.
- Yet the **average Medicare payment** is just **\$328**, and under current law, commercial payers in Maine only have to pay about **\$658** — not even close to the true cost.

Even in **urban systems**, where volume can help drive efficiency, the median cost is nearly **double** what commercial payers reimburse. In **super-rural Maine**, where services often respond to fewer than one call per day across long distances, the gap per call can exceed **\$1,100** — even with a commercial insurance patient.

This shortfall **cannot be absorbed indefinitely**. It is leading to staffing shortages, delayed responses, and increasing calls for municipal bailouts — all while insurers benefit from underpaying for a regulated, essential service.

This gap means every call with commercial insurance still results in a **net loss** for EMS providers.

Other states have already responded. **Indiana reimburses at 400% of Medicare**, and several others — including **Texas, Washington, and Oklahoma** — are paying **325% or more**. Maine is falling behind, and our providers are paying the price.

LD 1192 will help:

- It aligns reimbursement with real, documented costs.
- It reduces the growing reliance on municipal subsidies.
- It improves the sustainability of services across all regions — especially rural Maine.
- And most importantly, it helps ensure that when someone dials 911, an ambulance is able to respond.

This is not about profit. This is about survival. The time for stopgap solutions has passed — LD 1192 is a focused, data-driven step toward real EMS reform.

EMS providers are doing their part. We are consolidating, regionalizing, and modernizing where possible. We have made difficult decisions about staffing models and service levels. But we cannot continue to operate on a payment model that reimburses **less than 30 cents on the dollar**.

I urge the Committee to vote **Ought to Pass**. Thank you for your time, and I'm happy to answer any questions.

Sincerely,

Mike Senecal

President, Maine Ambulance Association