

Erin Bean

Chairpersons, Members of the Committee:

Thank you for the opportunity to testify in support of LD 1192 An Act to increase the Commercial Insurance Reimbursement Rate for Ambulance Services.

I represent the Town of Wiscasset, which operates a municipal ambulance service covering four towns. Every year, our service operates at a financial loss. We conduct this work because it's a public responsibility—but the current reimbursement structure is making that increasingly difficult to sustain.

One of the major challenges we face is inconsistent and often inadequate payment from insurers. Even when patients have private insurance, the reimbursements we receive often fall short of the actual cost of care. Meanwhile, we are required by law and duty to respond to every 911 call, 24/7, with highly trained personnel and fully equipped vehicles ready to handle life-threatening emergencies. EMS providers aren't in a typical market. We can't say no to a call. We can't schedule around insurance plans. We're legally and morally obligated to respond to emergencies, regardless of whether we're in-network or not.

Medicare rates are low and have only increased modestly over the past decade—around 2% per year. They don't come close to covering what it actually costs to deliver these services, and there's no indication they'll increase substantially in the future. Some may argue that 400% of the Medicare rate is excessive. But this bill doesn't open the door to overbilling—it sets a cap, not a floor: the provider gets paid either 400% of Medicare or their own billed rate, whichever is less.

Recognizing the financial strain on EMS providers, the State of Maine created the \$31 million EMS Stabilization and Sustainability Fund in 2023. That helped in the short term—but it was a temporary fix. If we want EMS to survive in Maine long-term, we need structural change.

This bill is a step in that direction. It establishes a fair and predictable reimbursement model for commercial insurers. It helps prevent cost-shifting onto local taxpayers. And it supports the people and systems that keep our communities safe.

We urge you to support this legislation.

Thank you for your time and consideration