



Testimony of Anthem Blue Cross and Blue Shield

In Opposition to L.D. 1192,

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

April 22, 2025

Good afternoon, Senator Bailey, Representative Mathieson, and Members of the Health Coverage, Insurance, and Financial Services Committee. My name is Kristine Ossenfort, and I am the Senior Government Relations Director for Anthem Blue Cross and Blue Shield in South Portland, Maine. I appear before you this morning to testify in opposition to **L.D. 1192, “An Act to Increase the Commercial Insurance Reimbursement Rate for Ambulance Services”**.

We have the following concerns with L.D. 1192:

1. *The existing provisions governing reimbursement of ambulance service providers represent the recommendations of several stakeholder groups.*

There have been three different stakeholder groups established to look at the reimbursement of ambulance services providers over the last five years. The existing law, 24-A M.R.S.A. § 4303-F, represents the consensus recommendations of those stakeholder groups.

The rates of 200 and 180% were initially established on a temporary basis to enable the collection of cost data to determine an appropriate rate. Ultimately, that did not prove to be feasible due to a lack of resources and the reimbursement rates established on the recommendation of the L.D. 2105 stakeholder group were made permanent.

Recommendation Six of the 2023 Stakeholder Report¹ was as follows: “Repeal the end date associated with 24-A MRS §4303-F. The reimbursement methodology will continue in perpetuity until such time as it is superseded.”

¹ 2023 Stakeholder Report Regarding L.D. 1258’s EMS Financial Health Committee, <https://legislature.maine.gov/doc/9667>).

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Different rates were established for in and out of network ambulance providers in order to provide ambulance providers with an incentive to participate in carrier networks. L.D. 1192 would eliminate that differential and, therefore, that incentive to be in-network.

Most recently, the Community Paramedicine Stakeholder Group, identified issues needing further discussion stopped short of recommending that reimbursement for community paramedicine be required; in fact, one of the areas identified as needing further clarification was where community paramedicine services and home health services overlap and where they differ.

2. Increasing reimbursement rates to 400% of Medicare, for both in and out of network ambulance service providers, will increase costs.

Current law requires that in-network ambulance services be reimbursed at 200% of Medicare and that out-of-network ambulance services be reimbursed at 180% (with both being subject to rural and super rural adjustments).

Requiring reimbursement at 400% of Medicare will make Maine's ambulance reimbursement among the highest, if not the highest, in the country. This will not only increase claims expenses, which in turn will increase premiums, but it will also significantly increase the out-of-pocket costs paid by members, since ambulance services are often subject to coinsurance.

For example, ambulance services will be subject to coinsurance of 20%-50% under the 2026 Clear Choice plan designs. If the Medicare rate is \$750, today an in-network provider will be reimbursed \$1,500 and the member's out-of-pocket cost share will range from \$300 to \$750. Under L.D. 1192, the reimbursement would jump to \$3,000 and the member's cost-share would also double, ranging from \$600 to \$1,500.

Medicare rate	Reimbursement under existing law (In-network) (200% of Medicare)	Reimbursement under existing law L.D. 1192 (400% of Medicare)	Coinsurance	Member Pays today	Member Pays under L.D. 1192	Increase to member out of pocket
\$750	\$1,500	\$3,000	20%	\$300	\$600	+\$300
\$750	\$1,500	\$3,000	50%	\$750	\$1,500	+\$750

We urge you to vote "ought not to pass" on L.D. 1192. Thank you, and I would be happy to answer any questions you may have either now or at your work session.