



Testimony Neither for Nor Against

LD 1258, An Act To Implement the Recommendations of the Stakeholder Group Convened by the Emergency Medical Services' Board Related to Reimbursement Rates for Ambulance Services by Health Insurance Carriers and To Improve Participation of Ambulance Service Providers in Carrier Networks

Presented by Kimberly Cook

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Community Health Options is Maine's only nonprofit CO-OP health insurance company. We are based in Lewiston and provide health insurance in the individuals, small group and large group markets, as well as providing health plan administration for self-funded plans through Pioneer ASO. Health Options exists for the benefit of our members and our mission which is to provide affordable, high quality benefits that promote health and wellbeing.

We would like to express our appreciation to all the members of the Stakeholder group for working collaboratively to sort through the issues and find common ground on a suite of recommendations. Rob Hillman, Chief Operating Officer of Community Health Options, was one of the members of the Stakeholder group. We were prepared to support legislation to implement the suite of recommendations that would have addressed the full range of issues in a comprehensive manner.

However, we are disappointed that LD 1258 does not address the critically important recommendation of the Workgroup that MaineCare adopt a payment methodology that recognizes rural and super-rural services with add on payments and that MaineCare explore cost-based reimbursement in areas that are particularly underserved. As the Workgroup report states, these recommendations go along with the recommendation that MaineCare "reduce MaineCare cost shifting to commercial carriers."

We understand and appreciate that the HCIFS Committee has sent a letter to the HHS Committee recommending that they consider this recommendation. And yet, after all of the hard work put in by the Workgroup members, and the data that shows that the commercially insured population represents only 9% of claims, while MaineCare represented 23% of claims,¹ it is difficult to see these issues taken up as if they are separate. We are concerned that if the MaineCare recommendations are not implemented, ambulance providers will remain under great financial pressure and the pressure for private insurers to make up for even more of the state's underfunding will only increase over time.

¹ <http://legislature.maine.gov/doc/6562> at p. 11. The report notes that the term "commercial insured" "Includes both fully insured and self-funded. Year-over-year, approximately 1/3 of commercial plans in Maine are self-funded."



We would urge the Committee to consider amending LD 1258 to add the MaineCare recommendation to this bill. The HCIFS Committee is actively considering other bills that would place requirements on both MaineCare and private health insurance in the same bill. Two very recent examples include LD 1115, An Act To Improve Access to HIV Prevention Medications and LD 1196, An Act Regarding Targets for Health Plan Investments in Primary Care and Behavioral Health.

We further urge the Committee to incorporate the one year timeframe of Recommendation # 3 into LD 1258.

Recommendation 3: Improve and maintain system efficiency

Require Maine Emergency Medical Services to establish within 12 months, through rule or recommendations on statutory changes, a process by which delivery efficiency must be established before granting a new service license.

This timeframe was an important part of the recommendation and should be honored in the language of LD 1258 to ensure swift implementation of this recommendation.

Thank you for your consideration of our comments. I'd be happy to answer any questions you may have.