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Testimony in Support of LD 1279

An Act To Increase the Minimum Wage

Hearing Date: April 12, 2021 – 9:00 AM

Senator Hickman, Representative Sylvester, and Members of the Joint Standing Committee on Labor and Housing.

My name is Jay Bradshaw. I live in Belgrade and serve as the Executive Director of the Maine Ambulance Association, a non-profit trade association committed to improving and supporting Maine's EMS system. Our members include emergency medical services of all sizes and corporate structures, and from every corner of the state.

Our association appreciates the opportunity to include our comments Neither For Nor Against for this bill.

Emergency Medical Services face a unique set of circumstances that make it an essential, and financially challenging, business.

EMS services are required as a condition of licensure to respond 24/7/365 and may not deny treatment or transport for other than medical reasons. This means that when a call is placed to 9-1-1, EMS responds without regard or restriction to who, where, when, or the ability to pay. EMS is only reimbursed if a patient is transport - and is then dependent upon payments primarily from federal (Medicare), state (MaineCare), and private insurance carriers who reimburse at a rate below the cost for most services.

The primary expense in EMS is labor, and the ability to pay increasing wages is directly related to reimbursement. Unlike other aspects of health care, EMS does not have profitable departments to offset losses. Likewise, we are not able to increase production of widgets to increase revenues.

EMS reimbursement is a complex topic, and we are actively involved with legislation in other committees to address these issues; but for purposes of LD 1279, we wanted to make members of this committee mindful of the impact that increasing wages would have without a corresponding increase in reimbursement rates.