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February 22, 2021

Chair Tina Liebling and Committee Members
Health and Human Services Finance and Policy Committee

Dear Chair Leibling and Members of the Committee:

Please accept this letter of opposition to HF# 363 regarding proposed changes to the revenue recapture program. The proposed changes will negatively impact the ability of ambulance services across Minnesota to access funds for unpaid ambulance bills, and thus, negatively impact public safety.

Stevens County EMS is a small, rural, advanced life support ambulance service. As it relates to our service, and the EMS industry as a whole, I would ask for your consideration of the following points:

- The level of uncompensated care we provide is significant. We currently collect less than half of our billable charges. The reimbursement we are able to receive from the revenue recapture program is vitally important.
- There is a significant cost associated with the “readiness” that an ambulance service provides. When 911 is called, an ambulance service is ready to respond with highly trained personnel, 24/7/365. As it is, not only is our ambulance service not compensated for this readiness, but as an industry we continue to rely on volunteers (as a result of being undercompensated) to subsidize this readiness that the public expects.
- Individuals who demonstrate hardship or low income are *not* put into the revenue recapture program.
- Patients that *are* put into the revenue recapture program have already been sent at least four notices of their financial responsibility for the services they received and our collection efforts. There is ample opportunity to contact us and make payment arrangements prior to being placed in the revenue recapture program.
- Medicare and medicaid programs reimburse for ambulance service at a level that is below the cost to provide the services. The current reimbursement model is not sustainable, and even a small change to our funding sources (such as HF# 363) puts our ability to maintain provision of services at risk.
- Non-governmental ambulance services appreciate the same costs of equipment, ambulances, personnel and readiness as do governmental ambulance services, not to mention the decreased availability of other funding sources to non-governmental services.

An equal opportunity employer and provider.

- In the wake of the Covid-19 pandemic, 2020 was one of the most financially challenging years in history for ambulance service providers - governmental and non-governmental alike. Run volume was down. Revenue was down. But for the CARES money that was available, and the payroll protection program, we would not have been able to sustain provision of services to our community.

In light of the above points, ambulance services simply can not afford (literally and figuratively) to have our funding sources decreased. Rather, we need to continue to look at ways to increase reimbursement and funding for ambulance services to support *readiness*. This must include funding at the federal, state and local levels. Our efforts must adequately demonstrate support for the highly trained, dedicated and compassionate front-line healthcare workers that stand ready to respond when you, your family, your neighbors or your constituents need to call 911 in the event of a medical emergency. HF# 363 is in direct opposition to those efforts. I would ask you to support ambulance services and EMS workers across the state and *oppose* HF# 363.

Sincerely,

A handwritten signature in black ink, appearing to read 'J. Fischer', with a long horizontal flourish extending to the right.

Joshua A. Fischer, NRP, Director - Stevens County EMS