



DEDICATED TO A STRONG GREATER MINNESOTA

March 18, 2024

RE: Opposition to House File 4738

Dear Representative Klevorn and Committee Members:

I am reaching out on behalf of the Coalition of Greater Minnesota Cities (CGMC) to express our continued concern with HF 4738. The CGMC is a group of more than 110 cities throughout Greater Minnesota that play an essential role in advocating for policies and funding that benefit communities in every corner of the state.

The challenge facing licensed ambulance services in Minnesota is a daunting one. The reliance on a traditional fee-for-service model has essentially reached its breaking point. With over 50% of the licenses statewide being held by a local unit of government, it is clear to see that local elected officials are facing extremely critical decisions with respect to ongoing operations of their ambulance services. The recent release of the Financial Evaluation of Minnesota's Ground Ambulance Industry, compiled and distributed by the Minnesota Emergency Medical Services Regulatory Board (EMSRB), places an extremely bright spotlight on the reimbursement shortages that continue to fall short of covering even the most basic costs of providing these essential services.

HF 4738 does nothing to provide a solution to the underlying financial crisis. Our organization has spent the last several months hosting regional forums to discuss the challenges facing EMS delivery. We have participated in and monitored each field hearing of the legislative Emergency Medical Services Task Force. We have met with countless ambulance managers, fire chiefs, city administrators, and elected officials across rural Minnesota. The message from them has been clear and succinct:

- **The number one challenge facing licensed ambulance services is the severe shortfall of reimbursement from government programs.** The fact that there are services in Minnesota who are billing 80% of their services to a government program that pays thirty-seven cents on the dollar is appalling and eye-opening.
- **The number two challenge facing our services is centered around recruitment and retention of the workforce.** The volunteer model that sustained services for decades is crumbling. Even full-time staff are hard to find, and in some cases even harder to retain given the relatively low compensation and intense workloads.

The CGMC strongly urges the Committee not to act on HF 4738, as currently written. Ambulance service providers across the state are sounding the alarm for financial assistance, and we ask the legislature to respond appropriately. If there are concerns around the operations of the EMSRB, we remain willing to sit down with all stakeholders and have a productive conversation, which

should include a review of corrective actions taken to date to address concerns presented by the Office of the Legislative Auditor in 2022.

Sincerely,

A handwritten signature in black ink, appearing to read "Bradley Peterson". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Bradley Peterson, Executive Director
Coalition of Greater Minnesota Cities