

Testimony before the Ohio House of Representatives Finance Committee: Health and Human Services Subcommittee

Chairman Romanchuk, Ranking Member West, and members of the House Finance Subcommittee on Health and Human Services, thank you for allowing me the opportunity to testify.

My name is Eileen Scarrett-Dudgeon and I am the President of Courtesy Ambulance. I am the second generation of the family owned and operated private ambulance company based in Newark, Ohio. We have been serving the Licking County and Central Ohio area since my parents founded the business in 1971.

The current environment of the healthcare industry and the medical transportation industry has created an administrative burden and loss of reimbursement for private ambulance providers. When the Ohio Medicaid Changes were made in December 2013 they stated that effective January 1, 2014 Medicaid would no longer pay patient co-pays for ambulance transportation, our company began to lose \$15,000 per month. This was done with less than 14 days notice. The transportation industry is operating at a fee schedule that was enacted in 2010 when the rates were actually lowered from the current fee schedule. So today, we are receiving less reimbursement than we did in December 2009.

The next Ohio Medicaid changes were equally as problematic. The brokerage model for non-emergency transports was developed to save money for the state of Ohio. What was not taken into account is that all of the contracted brokers are from other states. The brokers adopted different requirements and credentialing, and frequently use terms for Ambulatory and Non-Emergency interchangeably. The brokers had no knowledge of the current fee schedule and did not have a clear understanding of the coverage rules that have been in place for many years. The credentialing process is redundant of the OAMTB licensing process and in some cases even more taxing on the provider. The brokers took an already low reimbursement rate and tried to lower it even further. Many ambulance providers refused to participate for that reason. Every broker will tell you that they do not have enough providers to fill the scheduled transports the enrollees are requesting.

Several brokers require prior authorizations for all transportation services and without these authorizations, the provider will not be paid for services. Lack of staffing on evenings, weekends, and holidays make it extremely difficult to get those prior authorizations. The

administrative burden that has been placed on hospitals, skilled nursing facilities, and ambulance providers is negatively affecting the patient getting access to care and the timeliness of which they get it. Given this process, private ambulance providers are burdened with micromanaging the call process and limit their service areas to the point of refusing to transport patients if they are covered under a specific Managed Care plan, knowing there will be zero reimbursement for those services.

As a result of these issues, Courtesy Ambulance no longer transports Medicaid patients outside of the county for non-emergency appointments and patients that live in a private residence for non-emergency services. We also no longer transport patients to the Cleveland Clinic for speciality services. We have significantly reduced our Dialysis transports as we simply do not accept the transportation requests from the skilled nursing homes. Transportation may seem like a small part of the Medicaid budget when compared to other providers, but without transportation patients do not get to appointments, treatments, outpatient procedures, dialysis, and once they are discharged they have no way home. We may be just on cog in the Health Care system, but if you remove that cog, the whole system stops.

Courtesy Ambulance recommends implementing a statewide broker system as part of procurement to help address these issues. The brokerage model should look to CareSource's current process as a template, as this plan includes a sufficient preauthorization system and credentialing process, pays the Medicaid Fee Schedule, and includes electronic claims filing rather than paper claims.

Courtesy Ambulance also strongly supports the Ohio Department of Medicaid budget provision that provides a 15% increase for ambulance and wheelchair van services. We would like to thank Governor DeWine and his administration for including this modest increase and we appreciate the recognition of this much-needed investment.

Thank you again for the opportunity to testify. I would be happy to answer any questions you may have.